

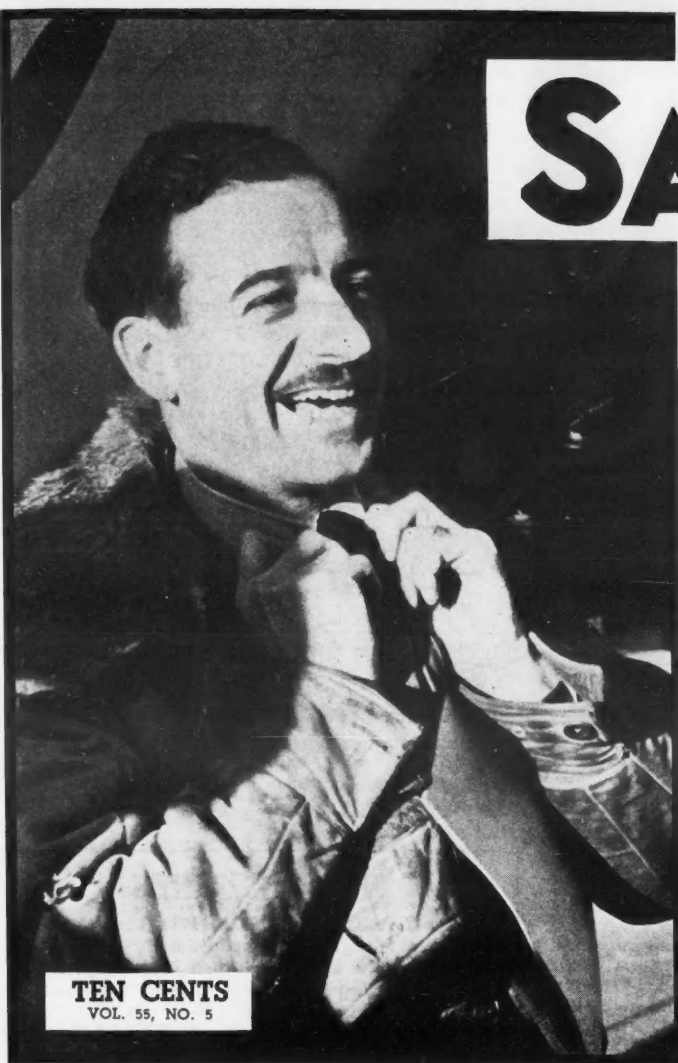
Who Is Going to Pay the United States?

By W. A. McKAGUE

SEE PAGE SEVEN

SATURDAY NIGHT

THE CANADIAN WEEKLY

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MR. WALTER LIPPMANN has strongly reinforced the point which we made last week, that the neutral nations so long as they act separately are helpless victims of any conceivable invasion of neutral rights that Germany may care to make, and equally of any invasion that the Allies may be compelled to make in retaliation for Germany's violations. Even if they were all to act in combination, it would still be difficult for them to maintain their rights; and without the co-operation of the greatest of them all, the United States, the rest of them are quite incapable of achieving anything.

Mr. Lippmann thinks that even within its policy of rigid determination to abstain from fighting, the United States might still do something to co-operate with other neutrals to impose reasonable limits upon the conduct of the war, and that if it does not do so it may be impossible to prevent the war from spreading a great deal further. He calls upon the United States to provide a leadership of neutral nations which will enable them to work together not only to limit the war but to hasten the peace, and to ensure that it shall be a reasonable peace with the best possible prospect of durability. "For the obligations of the neutral who still lives in safety have not been met when he makes a Thanksgiving that he is still at peace; he has an obligation to ensure that peace, to extend it and to fortify it — for others in the present and for all in the future." It is earnestly to be hoped that Mr. Lippmann's suggestion will bear fruit.

Blow to Compact Theory

THE Winnipeg *Free Press*, which owing to Mr. J. W. Daffoe can probably be trusted to have more inside knowledge of contemporary Canadian history than perhaps any other periodical in the country, reveals an interesting piece of this history in a note upon the disappearance from political life in New Brunswick of the Hon. A. P. Paterson, the defeated Minister of Education in the Dysart Government. It describes Mr. Paterson as the strongest proponent of the dangerous "compact theory" of Confederation which regards the provinces as sovereign states with rights transcending the rights of the Dominion; and it is certainly true that the New Brunswick Government has, during Mr. Paterson's membership in it, been a vigorous advocate of a very extreme form of this theory. We shall look with interest to see whether Mr. Dysart and his colleagues will modify their stand now that he is no longer with them.

The *Free Press* informs us that in 1935, at the Dominion-Provincial Conference at Ottawa, agreement was almost reached on a plan whereby Canada could effect her own constitutional changes, certain clauses of the B.N.A. Act being alterable by action of Parliament alone, others requiring two-thirds of the provinces, and still others requiring a majority of 55 per cent of the population of the country. Eight of the nine provinces gave tentative assent to this proposal. "Only New Brunswick held out, expressing the view that the amending power should be retained at Westminster; for, in its extreme form, the 'compact theory' admits only the sovereignty of Westminster over the nine provinces of Canada."

This theory is closely akin to that which paralyzed all effort on the part of the thirteen states of the American Union to carry on a genuine national government from 1776 until the adoption of the present constitution. It is a theory which to all intents and purposes reduces the nine provinces of Canada to the condition of nine separate colonies of Great Britain. We say "colonies" intentionally, for the idea that any single one of the nine provinces could make the slightest claim to being a nation seems to us to be beyond the possibility of acceptance by reasonable persons, and rather more so in the case of New Brunswick than in the case of most of the others.

A Woman's Voice

IF THERE are any among the women of Canada who feel more disposed to accept from a woman than from a man a sane and reasoned account of the nature of this war and of their duty in it and after it, they will not lack a voice to guide them. Miss

THE FRONT PAGE

Charlotte Whitton, a contributor, though a too infrequent one, to this weekly, delivered recently to the Women's Canadian Club of Toronto and Hamilton an address, which has been published by the Canadian Welfare Council of which she is a director, and she has put into this address a brilliantly clear account of the social problems which to so large an extent have driven Germany along her present fatal road, and which exist also in Canada in only a lesser degree, and will imperil the social structure even of our own country if we do not exhibit a great deal of wisdom and moderation. Miss Whitton's picture of Canada thrown by imperative duty into the midst of a great war in the tenth year of a general depression, aggravated by seven years of drought in the wheat lands, with nearly a million persons on public relief, with a standard of living which has definitely declined, with tens of thousands of young persons "growing up in homes dependent upon public aid, idle, with little hope of early self-support, marriage or a normal life," is one which need not terrify us but should certainly sober us. But Miss Whitton knows not only the tasks to be faced, but also, and better than most, the potential resources of the organized public-spirited citizens of this Dominion, and she has no doubt of the outcome if each man or woman will "honestly assess the contribution he or she can make and have the courage to continue it, in the ordinary ways and services of daily life, unless it is evident that another and more vital contribution can be made in a war service."

The psychological task of this war is the task of endurance. This is not a time for the whipping up of temporary enthusiasm by preachments of a kind of hatred which even the Germans can only maintain for six months or a year at a time, and which Anglo-Saxons and French are utterly incapable of making the predominant motive of their acts for an even shorter period. It is vital to remember that the spirit of the country as a whole includes, to a much larger extent than we like to think, the spirit of those who, as a result of many causes but chiefly by their sheer ill-fortune and the hostile conditions of a difficult economic era, are dependent on the civilian health and welfare agencies for a considerable part of the food, clothing and housing which are necessary to

keep them in spirit and physical fitness. We have not only to defeat Germany, we have also to defeat a condition at home which prevents a large part of the population from making its proper contribution to the defeat of Germany or to the achievement of any other national purpose. War is at home as well as in the North Sea and on the Maginot Line. We cannot afford to lose sight of any part of the front.

The Guards and R.C.M.P.

THE recent action of Premier Mitchell Hepburn in withdrawing the Ontario Hydro plants from the guardianship provided for them under the control of the R.C.M.P. and putting them in charge of a guard maintained by the provincial authorities was accompanied by statements which have been understood by many as reflecting rather seriously upon the efficiency of the R.C.M.P. themselves; and owing no doubt to a general reluctance to discuss matters of this kind for fear of distressing the censorship, the situation has not been clarified by any further information as to the nature of the deficiencies of the former guards or the authority which should be held responsible for them.

For the sake of the reputation of the R.C.M.P. it should, we think, be made clear that the guards whom Mr. Hepburn, apparently not without good reason, thought it advisable to replace were not members of the famous force at all. The situation was correctly expressed by Defence Minister Rogers in a statement made at the end of October, when he announced that the troops who had been called out on active service to protect vulnerable points at the outbreak of the war were to be relieved of those duties "and replaced by special constables enlisted from the various veterans' organizations and controlled by the R.C.M.P."

It is these special constables and not the R.C.M.P. themselves whose services have been found by Mr. Hepburn's advisers to be unsatisfactory. The terms of their enlistment do not seem to have been sufficiently stringent to give the R.C.M.P. any such effective influence upon their conduct as would justify the use of the term "control". It may possibly

THE PASSING SHOW

BY HAL FRANK

THEY call it the "phony" war, but after listening to the radio, we imagine that that is just an abbreviation for the microphony war.

Russia claims that she has been attacked by Finland. The nature of the attack is obscure, but it is believed that Finland hit Russia's fist with her face.

It's probably better for everybody that the United States is remaining neutral. A nation that has to have two world's fairs and two Thanksgivings would certainly complicate the world war.

Rats may one day conquer earth. — *Science Magazine*.
Not if Mr. Chamberlain can help it.

But until Parliament is in session, curious Canadians can probably find out what the Ottawa government is doing by listening to the short wave broadcasts from Germany.

Channing Pollock says all that his fellow Americans are interested in is amusements and making money.

What a unique people!

Well, it just goes to show that you can't assume anything these days. Here we thought the Germans were laying low and all the time they were laying mines.

A realist might be defined as an architect of downtown Toronto who designed a skyscraper the color of soot.

Raymond Massey says that next to Lincoln, Roosevelt is the greatest president, and he might have added that next to Mr. Massey he is the greatest actor.

Weather plays active part in engagements on Western Front. — *Daily Press*.
In fact, it seems to be bearing the brunt.

The Germans are pretty smart in the manufacture of substitutes but we suspect in the long run that their substitute for coffee will prove just as unsatisfactory as their substitute for civilization.

And you will know it is Utopia, too, because salesmen will talk themselves around to your point of view.

Another reason why the art of conversation has degenerated is because at the present time it is largely devoted to the purpose of drowning out the radio.

Esther says she's been reading the criticisms about the war purchasing boards and she has written to Mr. King offering her services. She says it is obvious they need a woman to do their shopping for them.

↑ THE PICTURES ↓

CANADA SPROUTS WINGS for her rapidly expanding Air Force and for the huge Empire Air Training Scheme, now being translated into reality. Apart from the planes which will come from the United States, Canadian manufacturers have been busy and are now turning out machines of the first quality. One of the new types was recently delivered and tested at Ottawa. LEFT, Squadron Leader L. E. Wray, R.C.A.F. test pilot, expresses his satisfaction after the first flight. RIGHT, the new machine, a Bristol "Bolingbroke", twin-engine, general reconnaissance bomber, now being built by Canadians at Montreal.

—Photos, Monty Tascheran; Associated Screen News.

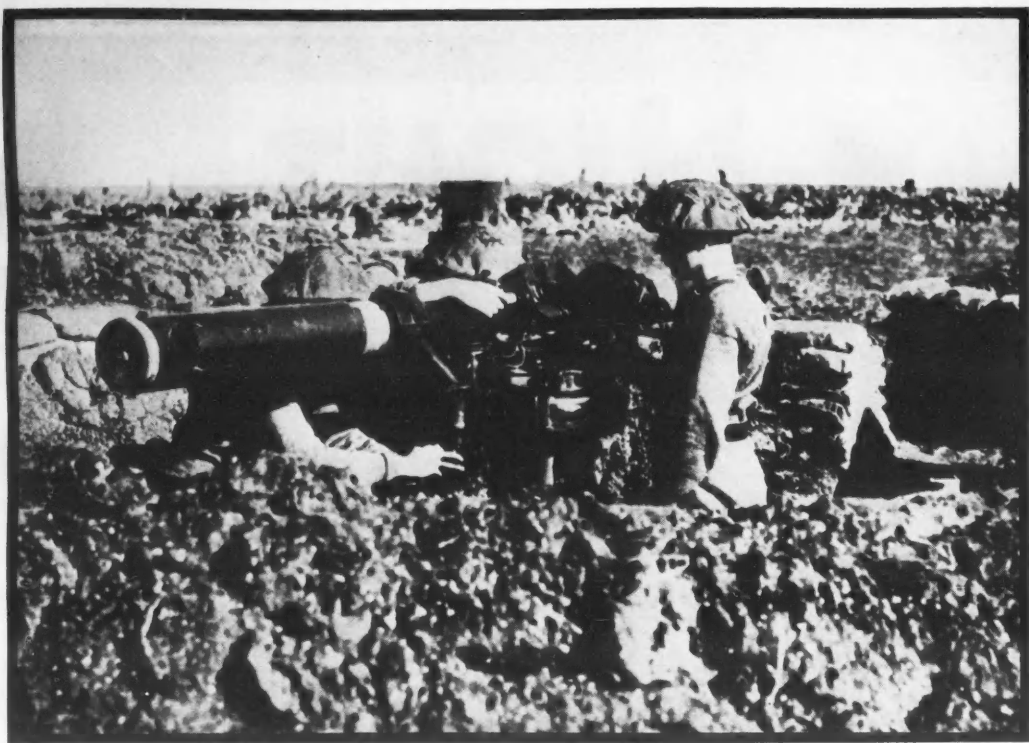
have been felt that the fact that the special constables were all members of the fighting forces during the last war would be sufficient to ensure their immediately returning to a state of military discipline and efficiency, with no more instruction than an assignment to a post of duty by a police officer; but this expectation was evidently too optimistic. Our own interest in the matter is confined to a desire to see that the R.C.M.P. are not criticized for something that is certainly not their fault. Whether the guardianship of the property of the associated municipalities of the Ontario Hydro should be paid for by the taxpayers of Ontario or by those of the Dominion is a constitutional question too delicate for us to tackle; but whoever pays for it, we think it should be well done.

The New P.R.C.A.

THE value of the Royal Canadian Academy is perhaps not wholly to be assessed on the basis of the opinions expressed by art critics concerning its annual exhibitions. These opinions do not differ in any marked respect from the opinions expressed by London critics about the Royal Academy and by Paris critics about the Salons; and if the Berlin critics are more respectful to the official art of Nazi Germany as shown in Nazi exhibitions, it is not because their art is better but because criticism is a more dangerous occupation. Nevertheless the official art organizations in Canada, England and France continue to fulfil an important function in spite of critical disapproval, and indeed incur that disapproval largely because they are official. Perhaps the most important of their functions is that they give innovators something to struggle against, and thus ensure that they shall have a certain amount of energy and vitality.

The Royal Canadian Academy has just completed its sixtieth year, and during exactly half of that time it has been served by its present veteran secretary, the eminently lovable and judicious Edmond Dyonnet. It has this year provided itself with a new president, who will be a worthy successor to the long line of able artists and vigorous personalities who have occupied that position. Mr. Fred S. Haines, Principal of the Ontario College of Art, was in his earlier years a notable experimenter in new methods, especially in the field of color etching, in which his work is widely and favorably known in the United States and many European countries; his work in oils is accomplished, and fine examples may be seen in many public galleries. After a good many years as an instructor he has acquired something of the appearance of the principal of a technical school or perhaps even a university, along with an experience in organization which should be of great value to the Academy if it decides, as it may possibly do, to go in for some of the other branches of work that are open to it as well as the holding of exhibitions. His vice-president, Percy E. Nobbs, is from the architectural division and is also strong on the executive side; but in addition to that, he is probably the most profound thinker on the subject of the arts that we possess in Canada, and his book, "Design," develops some revolutionary theories in aesthetics.

(Continued on Page Three)



Hitler's Extermination Policy Is World-Wide

In last week's issue Dr. Winthrop Bell marshalled numerous evidences from the text of "Mein Kampf" to prove that the Hitlerian doctrine means that in the expanded "Lebensraum" of the Greater German Reich there are to be no non-German populations; the existing populations are to be completely destroyed. In the present mechanical age there is no need for slave labor, and non-Germans cannot serve as anything but slaves in German territory. This week's article shows that the doctrine applies, in the long run, to all of the earth's surface that is "white man's territory".

THE doctrine of "Mein Kampf" does not, as I have already shown, envisage the co-existence in the same territory of a superior class of German conquerors lordling it over and exploiting alien subject populations. But neither does it contemplate the absorption into the German race of any of the present peoples of the territories marked for conquest. Any process like that of the amalgamation of Normans and Anglo-Saxons in England after 1066 is abhorrent to Hitler. Whoever might qualify as "Aryan" under his emotional and shifting conception, he makes it quite clear that certain peoples do not. The French, in his imagination, are rapidly becoming a "negroid" race. As to the peoples to the east and south-east, he repeatedly evinces his loathing, beginning already on page 13, where he records his boyhood conception of the way in which, in Austria, "on the north and on the south foreign racial poison was eating into the body of our people", and where he attributes to "the goddess of eternal justice and retribution" the assassination of the Archduke Franz Ferdinand, who was understood to favor a policy of wider political rights for the Slavs within the borders of Austria. He rages against pre-war attempts at "Germanisation" of those regions of the empire of Wilhelm II inhabited by Poles before 1914 (428-430). Those attempts, he says, so long as the people remained of Slavic blood, would have meant nothing but teaching people of a "lower" race to express their alien ideas in German words;—which, he adds contemptuously, might be done just as well with Negroes or Chinese. In fact, he goes on, the real result would have been a *de-Germanisation*, since, with a common language, Germans in, or brought into, that region would have intermarried with the indigenous "lower" race, and thus have "bastardized" themselves, and lost, for their posterity, all that gives their own race its peculiar and unique superiority to all others. Any true policy of Germanisation "can be carried out only on the soil, not on the people". Since *politically* the soil he is talking about was at that time already German, and had been so for over a century, the implication seems clear:—the Poles should have been literally and physically cleared out, and the ground handed over completely to true Germans. "The only effective Germanisation which history can show is in the case of territory won by the sword and then settled by German peasants" (43).

HITLER recurs to this historical example in many passages in his book (75, 152, 154, 430, 733-4, 742). He picks out as the only really significant and permanent political achievement of the Germans within a thousand years the extension, in the Middle Ages, of continuous German settlement eastward from its earlier limits (733-4). If one knows something of the history of that movement, with the literal wiping out of entire tribes and peoples (Slavic and other) and their gradual replacement by German settlers, the hint does not seem too subtle when Hitler announces: "We must push on right where we left off six hundred years ago" (742). To be sure, historians and ethnologists tell us that in that mediaeval colonization it was by no means all slaughter; that there was actually a great deal of intermixture with some, at least, of the indigenous groups; and that in many parts of Germany today the population has a lot of Slavic blood in its veins. Hitler himself, on occasion, (e.g. 430, 437 ff, 734) makes oblique reference to this (in his view) shameful fact, and attributes to it certain features in Germany which he castigates and wants to see eradicated. But he makes it all the clearer that in his *future* colonization there is to be nothing of the kind. In fact, the complete prevention of this: the settlement of precisely these new territories exclusively from the purest German stock (448-9), is to be an important part of a process he suggests (438-448) for the ultimate "breeding-out" of even such alien racial strains as may now exist among the Germans themselves. (A campaign of "Aufordnung" in this sense is already being actively pursued in Germany.)

THIS "Bodenpolitik" as he calls it (i.e. a policy bent upon soil rather than upon trade development or the like, and tolerating none but Germans upon present or future German soil) is, Hitler tells us emphatically, something that "cannot be carried out with half-measures, or hesitatingly" (153), nor with any consideration for laming "humanitarian illusions"—these last, "the expression of a mixture of stupidity, cowardice, and fancied enlightenment" (148). One must reject any sentimentality about "the well-known 'poor little nations'" (741). In fact, "the entire political direction of the Reich must be devoted to this task; not a step taken on any other basis than the conscious service of this aim" (153). And he declares that "the process will be a bloody one" (738).

As to this last phrase, it might be objected that Hitler had in mind merely the wars he realizes would have to be waged to enable the carrying out of his general program; and that he nowhere explicitly states that the indigenous populations are to be massacred in cold blood. Well, of course, if he had anywhere said precisely and explicitly that, there would be no need for this

article. And possibly, if those populations could find some place to go to, Hitler might be content to let them remove themselves, stripped and helpless, without the messy business of actual butchery. I say "possibly" that might be acceptable. Hitler nowhere gives the slightest suggestion of having any such solution in mind; and of course, the populations affected running into the tens of millions, the prospects for the whole world involved in any such idea would be incalculably preposterous and appalling. But, as a matter of fact, we are not even left to draw our own conclusions in any such way. Incredible as it might seem, there are passages in which Hitler indicates that even emigration of the existing populations is *not* what he contemplates.

FOR instance, in one of several passages devoted to the thesis that the various races are engaged inevitably in a mortal struggle for existence and domination, and to ridicule of the idea that economic triumphs in an era of peace can provide any alternative solution, he asserts that only the race possessing "the willingness to utilize every means" can hope to succeed, and adds that, in this strife, for those people who "succumb, that means that they suffer subjugation, and *therewith a quicker or slower extinction*" (166—italics mine). One might cite the dictum quoted this past summer from a member of the Nazi government, that, after the coming

war, there would not be victors and vanquished, but survivors and peoples which had vanished forever from the pages of history. The most explicit and outspoken passage in this sense, however, runs as follows (759): "A clever victor will as far as possible impose his requirements upon the vanquished bit by bit. Any people which capitulates becomes devoid of character. And the victor can then count upon it that such a characterless people will not find in any one of the successive single measures for its suppression the sufficient basis for flying once more to arms. The more exactions have been accepted, the more groundless will it come to seem to try and resist each additional, apparently isolated, though really cumulative, measure of oppression; especially when it gets to the point where the people has already suffered in silent submission a bulk of misfortune so much heavier."

So far there has seemed to be nothing inconsistent with the idea of enslavement or expulsion for the unfortunate victims. But, so that there should be no possible misapprehension as to the ultimate purpose and outcome of his proposal, Hitler is obliging enough to add immediately: "The ruin of Carthage presents the most awful example of such a gradual and deserved *extinction of a whole people*". (Italics mine). If your memory of the course and completion of that "execution" is at all hazy, look the story up, and I think you

FROM WEEK TO WEEK

The Reich and the People

BY B. K. SANDWELL

MR. McCULLAGH has concluded his broadcasts, and Mr. Chamberlain is still unrepentantly proclaiming his confidence that the German people do not necessarily have to be exterminated but can be persuaded to an abandonment of the faith to which their present government has officially committed them, the faith that might is right, that Germans have no moral obligations to non-Germans, and that bullying is the proper way to promote the interests of Germany. Mr. Chamberlain is not fighting for the downfall of Germany. He is fighting for the downfall of the Nazi philosophy, which "seeks continually to dominate other peoples by force, which finds brutal satisfaction in the persecution and torture of inoffensive citizens, and in the name of State justifies the repudiation of its own pledged word whenever it finds it convenient."

"If the German people can be convinced that that spirit is as bad for themselves as for the rest of the world, they will abandon it. If we can secure that they do abandon it without bloodshed, so much the better, but abandoned it must be. That is our war aim and we shall persevere in this struggle until we have attained it."

The trouble with the German people is that they too easily surrender all power to check and control their own governments. They do not want to feel any personal responsibility for the actions of their governments; they prefer to submit themselves unreasoningly to the orders of the authority which they conceive as representing their Reich, and they cannot distinguish between a state of things in which that authority is to some extent answerable to the opinion of the mass of Germans, and a state of absolute chaos. They do not trust themselves to govern themselves. They have never gone through, as the British and French have on several occasions, the revolutionary process, the task of setting up a new constituted authority after the tearing down of an old one, and they do not dare to face it. (Their sole experience was at the end of the last war, and they were then a conquered nation under a good deal of foreign control. Mr. Woodside in another column makes the interesting suggestion that at this very time, if they were assured that the forces of Britain and France would preserve order while they sorted out their own affairs and built themselves a new form of government, they would be much readier than they are to throw out the one they have.) They are thus the ideal material for a ruthless and conscienceless group of adventurers to work upon.

THERE is not the slightest reason to suppose that a large majority, perhaps any majority at all, of the German people would ever have voted in a free election to put Herr Hitler in power or to keep him there. Certainly no such majority ever did. But when he is in power, supported by the most atrociously repressive forces that have ever terrorized a modern European nation, they are not easily wrought to the superhuman effort necessary to throw him out. This is not surprising, nor is it a proof that they all accept his theories or admire his policies or like his methods of maintaining himself in power. At a time when they are at war with the two other greatest powers of Europe, it is not unnatural that they should be willing to put up with him even more unresistingly than ever, in the belief that the interests of Germany impose such sacrifices upon them. They will abandon that belief as soon

as they are convinced that the interests of Germany are being thrown away rather than served by Hitler's statecraft; and they will be convinced of that as soon as it is evident that Germany cannot win the war. We on this side think we can see fairly clearly that Germany cannot win the war already, but the Germans have neither our knowledge nor our point of view. They have actually been taught to believe that they did not lose the last one, and that they cannot ever lose one unless they are betrayed by traitors within.

All this does not mean that the German people are not an extremely difficult group to deal with when it comes to trying to make a civilized and peaceful Europe, for goodness knows they are. It is just this refusal to accept personal responsibility for their own government that makes them so. It makes them an easy prey for gangsters, just as the same irresponsibility in municipal affairs makes the people of Chicago an easy prey for gangsters; but nobody would suggest that all the people of Chicago were gangsters because Al Capone was able to make himself the effective government of that city.

MR. McCULLAGH's newspaper, the *Globe and Mail*, claimed on Tuesday that Mr. Chamberlain was converted to the McCullagh doctrine of the innate wickedness of the German people. It supported this thesis by quoting the paragraph of the Chamberlain Sunday broadcast concerning "aggressive bullying mentality" as if it referred to a permanent characteristic of the German people instead of the dominant characteristic of the Nazi party and the present Nazi government, and it completely suppressed the following sentence: "If the German people can be convinced that that spirit is as bad for themselves as for the rest of the world, they will abandon it," which was the keynote of that part of the speech. The editorial concluded: "We have a quarrel with the German people that cannot end until Germanism is ended."

Fortunately for the readers of the *Globe and Mail*, the news editor carelessly permitted his part of the paper to carry in the same issue the story—from British sources—of the German airman who, taken prisoner and entertained as a guest at a mess of the R.A.F., burst into uncontrollable sobbing and was led away by two sympathetic officers. On his return a little later he explained why his feelings had overcome him. "A year ago I, like many of us, liked the English. We were sure they were quite decent people. But for the past year we have been saturated with propaganda about how the British hate us and that we must hate them too... And now I find that my earlier beliefs were true after all. They told me when I set out that if I was captured I would be either shot or tortured."

The German people are childishly susceptible to propaganda of this kind; the present German government is fiendishly skillful in using it; and Mr. McCullagh is busily providing the German government with the exact kind of evidence that such propaganda requires. At present that evidence is not true; it is only Mr. McCullagh and a few of his friends and admirers in Canada who "hate" the Germans as individuals; but if Mr. McCullagh's newspaper and broadcasts have their way it may become true, and then God help us when it comes to making peace.

↑ THE PICTURES ↑

READY AND RAPIDLY GROWING is the 1939 model of the British Expeditionary Force in France. Here are two British Official photographs showing something of what the Nazis will be up against should they attempt any offensive in the West. LEFT, a huge anti-aircraft range finder blends into its surroundings as it stands dug-in and fully prepared. RIGHT, the first stages toward the "disappearance" of a heavy artillery piece. Hay from the typical French farmyard goes on first.

will agree that one could hardly ask for a more unequivocal indication. In the modern world the "clever victor" would doubtless also try so to arrange the stages of the "gradual execution" as to mask its real nature as long as possible not only from the victims but also from the rest of the world.

IT IS, I trust, not necessary for me to emphasize that this article is not attempting any forecasts. I am merely exposing and documenting Hitler's long-held and published intentions. True, the Russo-German accord of August does run counter to a good deal in "Mein Kampf". Whether Hitler envisaged, at the time that accord was made, just how Russia would exploit it on her own account within the next few weeks, is an interesting question to which we shall perhaps not know the answer for a long time. If he did, one may, I think, venture a certain conjecture. Hermann Rauschning in his invaluable "Revolution of Nihilism" has explained to us how tenacity with respect to the essential significance of guiding ideas among the Nazi leadership may be combined with complete elasticity as to the direction or order of their geographical application. If in "Mein Kampf" Hitler indicated certain Russian territories as part of the area for his projected German expansion, he also hoped (699, 755 ff) that Britain might be persuaded to look benevolently upon a German move eastward, and at the same time held the belief (743) that the Russia of the Soviets would soon begin to disintegrate from within. If Hitler, fifteen years after writing his book, finds that he was wrong in this last assumption, he can revise somewhat the geographical order or direction of his plan without surrendering the plan itself. He never expected to realize it all at once.

Hitler gives no time-table for his process—or rather, so far as I have been able to see, he gives only one hint of anything like a time-table for its execution. He declares that, if Germany adopts and follows his policy, *within a century* there should be, no mere 80,000,000, but 250,000,000 Germans in Europe, "not crowded together as coolies of industrialism in the service of the rest of the world" (767), but comfortably spread out as farmers and workers in the service of their own race on a continuous territory big enough for that purpose. (One scarcely need pause to point out how all this also explodes the often suggested "contradiction" involved in Hitler's efforts for population increase at the same time that he is complaining of the inadequacy of German territory for the existing number of Germans.)

But if that is the only hint of a time-table in "Mein Kampf", we have had a much more recent one from Dr. Ley. In a speech on March 12 of this year he announced plainly that the unity of all existing Germans was not enough, and declared that the "readjustment" of German soil area to the present population was to be carried out within the present generation. The plan adumbrated by Hitler, as above cited from his own text, is not a dream for some vague future. Its active initiation was pronounced to be the immediate practical project.

IN CLOSING we might just touch on one other (double) question:—How does Hitler conceive the relations of this coming vaster Germany to the rest of the world? And, in particular, what about overseas colonies?

For the most part, doubtless, while writing his book, Hitler allows in vague generality for other "world-powers", based presumably on coherent territories in other parts of the globe. But now and then we are made aware that in Hitler's vision such a state of affairs is only provisory—only the stage setting of the nearer future. He refers to a coming fateful and "indubitable" world-decision, out of which will emerge a single power: one single race dominating the globe (e.g. 148, 315-6, 437-8, 475, 782). As to overseas colonies, he pours scorn on German pre-war colonial policy (730). Not in the Cameroons, he says, could you have a genuine German colony (152). *Any genuine colonial overseas territory must be in white men's latitudes* (153), and must offer real opportunities for white settlement. For the nearer future German colonization should be continuous, and in Europe, for military if for no other reasons (153, 741). But in at least one passage he is more definite. The real trouble with German colonial policy before 1914, he tells us, was that it rested on a ludicrously inadequate military basis. But once Germany has achieved the expansion in Europe which he demands, then, "precisely by reason of this will the supplementation by overseas colonial territories come within the range of what is both possible and natural" (689-690). Hitler's European policy is thus merely the first stage. "Isolation" from concern with it is impossible for any country that is not blind to what Hitler himself has written.

Little Fables of 1939

BY HUGH SHOOBRIDGE

KEEPING THE NAVY OUT OF WAR

THE swiftly expanding merchant marine of Panama became, for some reason, a special object of submarine attack which led certain United States commentators to show concern in their capacity of General Providence for the American Hemisphere. The Administration, however, remained resolute in adherence to the policy of non-intervention and the President explained the steps taken to maintain it.

"We are determined to keep these United States out of war," he said. "Our Neutrality Act is good as far as it goes but it only keeps us from deliberately visiting the danger zone. This is quite insufficient, as any belligerent able to read the work of our publicists regarding 1917 is well aware. When roused to indignation we are no longer responsible for our actions. Practically all the trouble we ever had arose from sinister foreign influences artificially reducing our mental age."

"Now as the most idealistic people in the world we are also the most indignant. We can be indignant at those who attack Freedom and Democracy, at those who permit such attacks to take place, and also at those who resist such assaults without themselves having records of perfect virtue; a broader and more catholic indignation is not found anywhere on the globe, and with so much of it around loose as a potential explosive it is essential to render it harmless and remove the temptation for Propaganda to work on it."

The President smiled at his press friends as he proceeded.

"So we have sold the Navy and Air Force to Panama for one Gold Dollar each. This is a brilliant stroke which renders us not only Neutral but also perfectly Futile, thus doing the work of a whole Session of Congress in one afternoon. Of course we have not overlooked our own defensive needs. Panama is issuing a Guarantee of our Independence, Integrity, and the Right to Pursue Americanism up to 105 per cent. I know that Panama will live up to her undertaking to us as well as looking after her own merchant ships; she has already offered me a battleship in which to go fishing."

"Note," added the President, "that the Guarantee is unilateral and thus no concern of Congress. As Panama is a Good Neighbor and an American State we can advance such trifling sums from our Treasury as may serve to keep the forces active and efficient and teach Spanish to the officers and crews."

The Front Page

(Continued from Page One)

Sir Wyly Grier, the urbane and high principled President for the last ten years, will of course remain on the Council, and Charles W. Simpson of Montreal, well known for his studies of urban atmosphere all over America, continues as treasurer.

We should like to see the Academy do a little more to make its influence felt beyond the walls of the galleries in Montreal and Toronto between which it alternates its exhibitions, but it is handicapped by difficulties in the matter of funds, and by a considerable apathy on the part of the Canadian public. Mr. Haines has a very firm mouth and chin; perhaps he will be able to brush away some of these difficulties.

Shoot Them at Dawn

THE war is certainly on down in the Maritimes. The Rev. John A. MacGlashen, former minister of Stairs Memorial United Church, Dartmouth, N.S., has written and published in the Dartmouth Patriot an article on the seventy-five United Church clergymen who signed the pacifist manifesto. Most of it is a very sound and well judged appreciation of the actions of the writer's misguided fellow-ministers, but the concluding sentence reads: "Let them be taken out at dawn and shot like other traitors."

The Halifax Herald notes the utterance of Dr. MacGlashen and highly approves of it. In fact it says: "From coast to coast in this country the acclaim will ring out—Thank God for the MacGlashens!" And the Saint John Telegraph-Journal reprints the Herald article along with an attack by the Rev. C. J. St. Clair Jeans, minister of the Church of St. John and St. Stephen in Saint John, upon the Society of Friends (Quakers) for their advocacy of peace.

We do not suppose that the Rev. John A. MacGlashen, if he found himself a member of a military tribunal before which his seventy-five fellow-ministers were haled upon a charge of treason, would really vote for shooting them at dawn. We think that he was just being rhetorical. We do not imagine that the Halifax Herald or the Saint John Telegraph-Journal really wants them shot at dawn either. We think they are just being carried away by the exuberance of their feelings and the fluency of the editorial typewriter. It should still be possible in this Dominion of Canada to differ, and to differ very strongly, from a fellow-clergyman or a fellow-journalist, even about the war, without seriously advocating the application to him of the kind of treatment which Hitler and Stalin apply to those from whom they differ.

But if Dr. MacGlashen does not really want seventy-five United Church ministers shot at dawn we wish he wouldn't say he does. It is apt to have a bad effect on people who have not had the benefits of a theological education and other influences which are supposed to make for moderation and broadmindedness. It has had that effect on one of our readers who has sent us the MacGlashen clipping and wants us to campaign for seventy-five dawn shootings. And we just can't do it.



The successor of Alice, and her friend Wendy.



RUSSIAN LAKE

THE WAR AGAINST AGGRESSION

Revolt in Germany (2)

BY WILLSON WOODSIDE

THE only other group in Germany besides the Army which is organized and armed for early successful revolt is the Black Guards. In these two organizations, on one of which he depends to fight his foreign enemies and on the other to suppress his domestic ones, Hitler finds himself driving an unruly team. Should his policy prove too wild the Army may kick over the traces, and if it prove too mild the Black Guards and the "wild men" of the Nazi Party most certainly will. Here, I believe, is the reason for much of Hitler's vacillation.

In many ways Hitler has more to fear from the Black Guards than from the Reichswehr. The former are on the home front, while the latter are busy defending the frontiers. Associated with the Gestapo and under the same command, the Black Shirts are in an ideal position to quietly plan and carry through a coup. Picked as an élite, raised to brutality and trained in unscrupulousness, like the Praetorian Guards of Rome they have well learned their dangerous power. They know that they are the only "law" in Germany. After being used to beat and terrorize the former highest dignitaries of the State and Church and to liquidate such powerful figures as Ernst Roehm, chief of the Brown Shirts and Hitler's closest associate, General von Schleicher, a former Chancellor, and, one suspects, General von Fritsch, former Commander-in-Chief of the Army, are these "blackguards" likely to be any respecters of person?

Their leader and the head of all police, secret and otherwise, in Germany is Heinrich Himmler. He has not been much mentioned as a successor to Hitler, Goering having been commonly thought the most likely candidate, and in fact solemnly designated to the post by the Fuehrer. But there was a time when people thought that Trotsky would succeed Lenin, and it was Stalin, the man who held the actual apparatus of political power in his hands, who won out. Himmler is in a similar advantageous position in National Socialist Germany. He isn't Party Secretary, Ley and Hess dividing these functions between them, but he holds the dossiers of all the Party leaders and commands their body-guards. He holds, in his knowledge of who arranged the firing of the Reichstag, the killing of von Fritsch and the planting of the Munich bomb, enough political dynamite to blow the whole Party hierarchy sky-high.

If Himmler were to lead his Black Shirts, Gestapo and all the "wild men" of the Party in an impatient *Putsch* against the mildness of the present régime, it seems more than likely that they would give Hitler the chance of coming along with them as their prisoner. They would have a long black-list carefully prepared in advance and would likely attempt a sudden, wide-scale purge of "moderate" Army and Party leaders. Near the top of the list would be Goering, as a "traitor" who has gone over to the Army and as the controller of one of the State's chief organs of power, the air force. If they didn't get Goering there would be a lively possibility of a fierce and deadly gang feud. Failure of the attempt on the Reichswehr leaders—and one imagines that they take precautions, after the "accident" to von Fritsch—would be even more serious, as it would precipitate the long delayed show-down between the rival armed forces and condemn the revolt of the outnumbered and out-gunned Black Shirts to quick and bloody extinction. This would save either the Germans or ourselves a nasty job after hostilities cease. (Although one can see possibilities here for St. Helena and Devil's Island.)

Must Be Socialistic

One must be careful about tagging a revolt by the Army simply "Right" and one by the Black Guards and Nazi wild men "Left". An Army coup might bring an emperor back to the throne of Germany, and yet I believe that the resulting régime would nevertheless be socialistic. It would have to be, because there isn't enough left in Germany, after the ravages of the last war, the Depression and the Nazi exploitation, to support the nation except by the most rigid sharing around, and because socialism has "got into the blood" of the German people. All the more, since the far-reaching proletarianization of the middle classes carried out by Hitler.

Nor is a monarchy entirely inconsistent with a poor or socialistic country. Bulgaria and Sweden are both successful monarchies, and the one is desperately poor while the other is semi-socialistic; Britain may be both before the war is over. Too, the kind of socialism best adapted to the German character is probably "Tory Socialism", the kind that Bismarck gave the German workers and that the Conservative Party is giving the British workers, as it gradually appropriates their program and steals their political thunder.

A Black Guard-Gestapo coup would in no sense represent the genuine German Left, even if it raised the banner, which is not unlikely, of "National Communism". The traditional Left groups are in

no condition to either seize or wield power today. Their organizations are smashed and their leaders dispersed or liquidated. The mildest of them, the Social Democrats, stand discredited by their political record; rightly or wrongly the nation damningly associates the mortification of the post-1918 period with their rule; and the Social Democrats themselves had so little confidence left in themselves by 1932 that they were ready to follow the "Socialist General" von Schleicher.

Otto Strasser's Black Front, pushed into the foreground by the Gestapo in the Munich bombing case, never had much following. The extent and identity of the Freedom Party, which carries on the daring illegal broadcasting, is unknown. Of the Moscow-branch Communists the inner organization, except insofar as it has been wiped out, seems to have remained true and kept up a bold, if ever more restricted, underground opposition. But many on-hangers, seeking only revolution of some kind, have switched to the Nazis, and what remains of the five million supporters who never did any more than vote Communist, or of the Communist cause, after the Stalin-Hitler deal one can only imagine. Germany might succumb to "communism" of some kind if the war lasted long enough and if the Army were completely smashed and we didn't take over the policing of the country. But the Germans won't be conquered by the slogans of Marxian Communism any more than our people can be enthused by the outworn slogans of the last war. The *Zeitgeist*, the spirit of the times, has passed them by.

What Slogan is Needed?

What slogan would rally the German people? What line should our propaganda take, for the purpose of ending the war soon and for the good of the Germans themselves? We can save our breath and our leaflets trying to weaken the German people's faith in Hitler through proving that he doesn't keep his word. Political deceit does not shock the Germans; in politics as in war they are conscienceless; it is to them nothing but a power game. Nor do they yield us any monopoly on the truth. Hitler's lies will only become a crime to them when they fail to secure successes or security for Germany. Our propaganda will have to be positive, and I can see two things which it must do. It must offer the Germans something better than Hitler holds out to them, and that means a new order in Europe, freer economic play, easier access to colonial raw materials, and opportunity for migration. If this new idea could be crystallized into a new slogan, all the better—for our own fighting men as well as the German masses. Considering all the cynicism over the idealistic and grandiose slogans of the last war, probably just a simple and limited one like "A New Europe" would be best. That is exactly what all the peoples of Europe yearn for.

Then we must assure the German people that after Hitler there won't be—nothing, a political vacuum. The Germans are not a self-reliant but an innately insecure people. After the constant turmoil of the past 25 years and the débâcle of three successive and entirely different régimes, the monarchy, the republic and National Socialist totalitarianism, this feeling is at its most intense now, and must be catered to. The average German does not crave the chance to rule himself; he is afraid of being made to. He wants to see some alternative régime all ready to replace the present one before he lets go of it; and looking around he sees none. Horror of the "vacuum" which they believe would be left by the sudden disappearance of National Socialism, and into which might rush either a German Communism or Russian Bolshevism, is keeping the German people behind Hitler as much as anything.

I don't think the suggestion of the editor of the leading émigré publication *Das Neue Tagebuch* at all fantastic, that an assurance on our part that we would see to the policing and protection of Germany for a short while after the fall of Hitler, and until the Germans were able to set up a stable government, would make a strong appeal to the German people. Undoubtedly a promise that our forces would cease fighting the German Army and cooperate with it in looking after the security of Germany as soon as the Hitler Government was overthrown would have an infinitely stronger appeal. But we would only be repeating the mistake of 1918 in calling the termination of hostilities an Armistice, and leaving the Germans to say they were never defeated. It seems that, to properly knock out of German heads the idea that they can dominate Europe (as it was finally knocked out of French heads in 1815), we must secure nothing less than the unconditional capitulation of the German Army, which it must be remembered comes closer to representing the German people than any parliament they ever elected.

A WORD ABOUT Your Choice

Any man with an estate to leave is free to make his Will and direct to whom his property shall be given. He is equally free to procrastinate and leave his estate to be divided according to law—a division, in all probability, not as he intended.

If he decides to exercise his right and makes a Will, he is expected to name an executor. Here again, he is free to make an important choice:

Either to choose an executor who may, or may not, outlive the time necessary to complete the work, may not be financially responsible and who may be totally inexperienced; or, to choose a Trust Institution, always available, experienced and equipped to handle estates and trusts.

Choose to make your Will and appoint this Trust Company to be your Executor; the cost of our services is no greater than allowed the individual and in many instances the economies of our organized attention to an estate, effect considerable savings.

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The Immortal Alice

ONE of the more than usually surprising things in this surprising world is the way in which that adventurous young person Alice, of Looking Glass Land and Wonderland, keeps popping up in the most unexpected places. One picks up a very serious treatise on economics and finds the Mad Hatter used as an illustration of the unsoundness of another economist's theories. One goes to church to be edified, and the parson in his sermon drags in the famous croquet match for no very apparent reason. At the club an eminent counsel uses the trial scene to point an argument. Impatiently we drift into the reading room and pick up Dorothy Thompson's entertaining book, only to find that gifted journalist using the incident of the mushroom to emphasize her poor opinion of Mr. Chamberlain.

So home to bed, with a detective novel, into which the author has dragged a stanza from the adventure of the Jabberwock. And in our dreams we sail away on that amazing voyage in which the Snark becomes a Boojum; awaking the next morning to find in the mail a letter from the Canadian Dean of Christ Church, that ancient Oxford college of which Lewis Carroll's friend Henry George Liddell was once Dean. "A friend who called to see us yesterday," he said, "was met at the gate by the old porter who remarked: 'It's nice to have children once more in the Deanery. There have been none here since 'Alice in Wonderland'."

In a world so familiar with these most popular of all books of travel, it is hardly necessary to say that the original of Lewis Carroll's Alice was the little daughter of Dean Liddell, and that the Wonderland and Looking Glass adventures were first told to a very fortunate and happy child, in the Deanery garden and on the banks of the Isis. Alice's successor is a Canadian girl, daughter of Dean Lowe, until recently of Trinity College, Toronto, and granddaughter of Mr. and Mrs. L. J. Burpee of Ottawa.

(See picture in first column)



PREMIER A. A. DYMAR of New Brunswick who led the Liberal party to a 27-21 victory in the elections last week. The Conservatives, led by F. C. Squires, increased their representation from 5 to 21 seats.

WINDOW ON THE WORLD

BY WESSELY HICKS

THE young man was very disgusted with Toronto. The young man was very disgusted with Toronto indeed and he slumped down into the chair and expressed himself as being very disgusted with Toronto indeed. He was just plain disgusted, he said, with Toronto in general and a certain Toronto hotel in particular.

"Look," he said, "Three weeks ago I go down and buy myself a new suit—soup and fish." He held up a portion of the coat for inspection. "Then I go home and call up the prettiest girl I know and ask her if she would go out dancing with me to-night. She says she will. Then I call the hotel and reserve a table. Three weeks in advance.

"To-day I go down and get my suit. I try it on several times since I first order it and I know it's the nuts. Not that I'm any Clark Gable but I'll give George Raft a run for his money.

"I get dressed early so that I can give the outfit the once over and like I say, it's the nuts. So then I go and call for the girl. And believe me, I'm not ashamed to be seen with her, even in the new suit.

"SO WE go down to the hotel—to the supper dance, see? Like I say, I made my reservation three weeks in advance and I expect a table near the floor or at least up by the orchestra—anyway, I expect something special in the way of tables. But do I get it? I ask you, do I get it? No. We get a table away down at one end near the biggest window I've ever seen. Honest, you could have driven a locomotive through that window with lots of room to spare.

"We sit down. I don't say anything. The girl doesn't say anything. I'm kinda mad and I guess she's a little disappointed. So we just sit for awhile.

"Finally she says 'Say, do you feel a draught?' I do. So I call the waiter and say 'Waiter will you please close this window?' and the waiter looks at me and says 'But that window isn't open, sir.' So I look. I pull back the curtain and look. And sure enough, the window isn't open.

"So there's nothing to do but just sit there, which we do with our arms on the table to keep the cloth from blowing off and finally the girl friend says 'We can't stay here any longer because this draught is musing my hair.' At that I get up and move the table into the aisle. But we can't stay there either, because every time a waiter goes by he takes three months wear off my new suit brushing up against it. And there are so many waiters we think we're sitting in the Union Depot.

"THE only thing to do is dance all the time which we try to do, but pretty soon the floor gets so crowded and we get pushed around so much that we have to go back and sit down to rest.

"We just nicely get sitting down and start counting our wounds when along comes the waiter—the same one who said the window wasn't open—and he says 'Do you feel a draught now, sir?' and I say 'No, we don't feel a draught at all here.' So he says 'Then I'll turn the heat on.'

"The radiator is under the window. It's the biggest radiator I have ever seen. In fact, it could easily be mistaken for a pipe organ and when the waiter turns the heat on it goes 'FSS-S-S-TTT'. In ten minutes I'm cooking. So is the girl friend. Finally she says to me 'If I'd known we were going out for a steam bath I would have brought a towel along.' I know just how she feels. I can feel my stiff shirt melting. Honest to Pete, I'll bet there's so much starch in my undershirt right now it'll stand up by itself when I take it off.

"SO I get up and move the table farther out into the aisle. By this time we're getting real chummy with the people who used to be across the aisle from us. In fact, by this time we're so close to them that we look

IMPERIAL BANK OF CANADA

65th Annual Meeting

President and General Manager Address Shareholders

Assets Highest in Bank's History

The Annual Meeting of Shareholders was held at the Head Office, Toronto, on November 22nd, Mr. A. E. Phipps, President, addressed the Meeting.

THE PRESIDENT'S ADDRESS

Since early in September the British Empire has been at War with Germany and it may be interesting and profitable in commencing these remarks to touch briefly on the business condition in which the Bank in particular and Canada as a whole find themselves compared with their positions at the outbreak of the World War of twenty-five years ago.

I have with me the Annual Balance Sheet of the Bank dated 30th April, 1915, the first published balance sheet after the outbreak of the World War. It informs me that at that time the total assets of the Bank were \$75,000,000, compared with \$187,000,000, at the present time. We then had current account deposits of less than \$8,000,000, as against \$39,000,000, now; our total deposits are now \$161,000,000, as against \$55,000,000, then. Among the assets of the Bank the changes are no less remarkable. Leaving aside the usual items of Cash Reserves, which are proportionate, the current and other loans which were then \$48,000,000, now approximate \$80,000,000. The holdings of Dominion and Provincial Government securities in April, 1915, amounted to \$666,000, compared with \$70,000,000, in October, 1939, while the total portfolio of the Bank is now upwards of \$77,000,000, compared with a mere \$2,664,000, in 1915, remarkable evidence of the change which has taken place over the past quarter of a century. When we look at the Profit and Loss Statement a different picture is presented. In 1915, with only 40 per cent. of the assets we have today, the profits were \$1,031,000, for the year, while now we report just 12% then, 10% now. I may add that these changes do not appear to be different from the changes that have occurred in the affairs of other Canadian chartered Banks during the period. Modern conditions and keen competition coupled with the lower returns obtained on bonds in comparison with current loans are responsible for the reduction in the gross earnings, while higher expenses by way of increased salaries required by the improved standard of living coupled with heavy taxation of Banks which in 1914-15 was practically non-existent and this year in our case amounts to \$325,000, (not including real estate and property taxes) have heavily affected the net. In 1915 the Bank had 125 Branches of which 17 were in Toronto. Now we have 175 of which 43 are in Toronto and 22 in new fields in Northern Ontario and Quebec developed during the past 25 years. In 1915 our only Branches in the North were at Cobalt, Timmins and New Liskeard.

When we examine the financial and business changes in the whole of the Dominion of Canada the findings are no less remarkable. Quoting from a very interesting pamphlet prepared by the Toronto House of Wood, Gundy & Co., Ltd., recently we find the following:

	1914	1939	Approx. Percentage Increase
Total Exports	\$ 455,000,000	\$ 969,000,000	113%
Manufacturing	1,407,000,000	3,623,000,000	157%
Gold Production	27,000,000	166,000,000	514%
Copper, Lead and Zinc Production	12,000,000	84,000,000	600%
Nickel Production	14,000,000	54,000,000	285%
Chartered Bank Deposits in Canada (Savings plus Demand)	1,003,000,000	2,407,000,000	140%
Assets Canadian Life Insurance Companies in Canada	258,000,000	2,250,000,000	773%
Hydraulic Turbine Horsepower Installed	2,000,000 h.p.	8,000,000 h.p.	300%

The outstanding features of these statistics are gold production up from \$27,000,000 to \$166,000,000, an increase of 514%; copper, lead and zinc increase, 600%; nickel production increase, 285%; Canada's total exports in the period, you will note, have more than doubled from \$455,000,000 to \$969,000,000; population during the 25 years increased from 8,000,000 to 11,000,000, or 42%. Of course, no reference is made in these figures to the other side of the picture, i.e., the increase in public debt and taxes, which I shall not go into here, but if the figures I have quoted you mean anything they mean that Canada is in a vastly better position than she was at the start of the last War. Let us all hope that her effort will be sustained and will be of real assistance to the Empire in winning the War which we must and will do.

PRESENT CONDITIONS IN CANADA.

Production—Substantial improvement in Canadian economic conditions has occurred in 1939. The betterment over the preceding year

as if we had come with them. We're practically sitting in their laps. But we don't care. At last we're comfortable. There's no chance to get chummy because these people can hear everything we say but like I say, we're comfortable. And just then the band plays 'God Save the King'.

"So phooey on Toronto," said the young man, "and on that hotel. And

was unmistakable during the first eight months, and the outbreak of hostilities has served to speed up the process. War conditions will not only require but probably will make possible the full utilization of manpower and equipment. The urgent demands in Canada and in Allied countries for supplies of different kinds will provide an impetus to expansion of production and capital investment which has been relatively slack in recent years. The mining industry is destined to play an important part in providing raw materials for war industries. The heavy exports of copper, nickel and zinc during the first two months of this conflict demonstrates the important assistance the industry is rendering to the Allied cause. The output of gold is also greater due in part to the development of new mines and the importance of our gold resources will become more and more evident as the War progresses.

AGRICULTURE.

Betterment has been marked in the position of primary producers during 1939. Crops on the whole have been more bountiful, and the return to the farmer will be far in excess of last year. The wheat crop at 478 million bushels is nearly double that of 1938, the production of oats greater than a year ago, while hay and barley were lower. Fodder crops are well distributed and there is no indication of a shortage. Dairy production is well maintained. The butter output is estimated at 215.6 million pounds in the first nine months against 217.5 million pounds, while cheese production has increased from 96.8 million pounds to 100.9 million.

Another crop of recent importance, to Ontario particularly, is tobacco, the output of which for 1938 was 98,427,000 pounds, valued at \$19,563,000, with an estimated output of \$5,000,000 pounds, valued at \$16,000,000 for 1939. In the districts where tobacco is produced it is found a most remunerative crop for the farmer.

FORESTRY.

The forestry industries are in the vanguard of the recovery movement increasing their production by about 19 per cent. The output of newsprint has risen sharply and the present price plus the premium on American exchange are factors in placing the industry on a much more satisfactory footing. The lumber industry has been stimulated to the greatest activity since 1929 by an external demand, nearly 31 per cent. more than the preceding year. Timber scaled in British Columbia is about 2.3 billion board feet to August 31st, a gain of 40 per cent. over the same months of 1938. At the moment it looks as though the British Columbia offshore lumber industry might be handicapped by lack of ships.

FISH AND FURS.

The sea fisheries have been more productive in the portion of 1939 for which information is available. The sale of Canada's product of the fisheries abroad amounted to \$19,000,000 in the nine months. Canned fish recorded a modest gain while dried fish showed a recession. Meas-

	1914	1939	Approx. Percentage Increase
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ured by the export trade, the fur industry has been maintained in 1939. The outward shipment of furs is valued at \$11,000,000, against \$11,700,000, in the same period of 1938.

MANUFACTURING.

Recovery in industrial activity was demonstrated after the early months of the year. Operations in recent months are comparable with the high levels of 1929 and 1937. The primary iron and steel industry has operated on an accelerated scale in recent months, the output of steel showing a gain of nearly 3 per cent. in the first nine months. The production of tin plate and black sheets is also becoming an important item with the rolling mills, particularly at Sault Ste. Marie, where a new tin plate mill is in full production. The manufacture of motor vehicles is an important industry presenting an excellent barometer of purchasing power. The growth in the use of automobiles in Canada has been very rapid during the last twenty years. The number of registrations increased from 409,000 in 1920 to 1,395,000 in 1938, a total which is exceeded only by the United States, United Kingdom, France and Germany.

Flour milling is one of the basic natural industries and the capacity is far in excess of Canada's demands. Production during the first eight months was 9,300,000 barrels, of which 3,000,000 barrels were exported against a production of 7,500,000 barrels in the same period of the preceding year, a gain of no less than 23.4 per cent. With an increased demand at home and abroad for flour due to war operations the Canadian milling industries should be greatly stimulated.

CONSTRUCTION.

Construction records for 1939 record some betterment over 1938. Contemplated new construction reported for the first time is nearly \$272 million in the first nine months against \$232 million, suggesting an increased momentum. A feature which continues to be of great assistance is the Home Improvement Loan plan. I am informed that since its introduction November 1st, 1936, no less than 91,397 loans have been made with an aggregate of \$37,065,729, with generally beneficial results.

RAILWAYS.

The movement of one of our largest wheat crops to the Atlantic seaboard and the accelerated traffic in industrial materials due to war participation indicate that brighter prospects are at hand for the railways. In anticipation of the greater traffic requirements orders on behalf of the two main railways were placed recently for equipment amounting to \$25 million.

BONDS AND STOCK MARKET.

Dominion bonds recovered in October following the drastic decline occasioned by the commencement of hostilities. New issues of bonds of different descriptions sold during the first nine months amounted to \$1,032 million, nearly 25 per cent. more than in the preceding year. Dominion financing accounting for about 60 per cent. of the whole.

Since the outbreak of the War the Dominion Government have floated with the Banks an issue of \$200,000,000 of short term bonds, half of which was used for refunding an English maturity, and it is expected that a further substantial issue will be made to the public later on.

The condition of the stock market does not call for much comment. Throughout most of the year it was very depressed and trading was at a minimum. The interesting feature is the rise in recent weeks brought about by the conditions in Europe in contrast with the unsatisfactory developments in the stock markets of the world following the outbreak of the last War. To endeavor to in any way anticipate the future course of the stock market would be impossible.

PUBLIC FINANCE.

In a special War Budget presented to the House of Commons a revised estimate of total expenditures and receipts for the current fiscal year ending March 31st, 1940, was tabled. Through upward revisions in customs, excise, sales taxes, and income taxes the Minister hopes to raise an extra \$40,000,000 during the period, leaving an anticipated deficit of nearly \$100,000,000 for the year. It is stated that as far as possible a pay-as-you-go policy has been adopted, but as I have remarked \$200,000,000 has already been borrowed with further substantial loans in the offing which indicates that the war financing will for the present tax the efforts of the Dominion to produce money both by taxation of the severest kind as well as heavy demands on the savings of the people. On the other hand, there may be some relief in diminution of the sums required for wheat bonuses, railway losses, unemployment relief, and similar expenditures which of late years have taken heavy toll of the revenues of the country.

BANKING.

The growth in banking figures has been noteworthy. According to the Government Return at the end of September quick assets of the chartered Banks have risen during the twelve months by over \$142,000,000. To \$1,772,000,000, the principal gains being of holding of Government securities. Total loans and other securities advanced from \$1,461,000,000 to \$1,541,000,000, the feature being an increase of \$80,000,000, in current loans. The grand total of all security holdings of all the chartered Banks rose in the twelve months to the unprecedented figure of \$1,500,000,000. The grand total of assets is now \$3,605,000,000, compared with \$3,400,000,000, a year ago.

A noteworthy feature of the banking situation is the increased activities of the Bank of Canada, principally in connection with the formation of the Foreign Exchange Control Board by the Government of the Dominion of Canada. It was, of course, highly desirable and necessary that the flight of capital from Canada should be prevented immediately upon the outbreak of War, and it is to the credit of the Bank of Canada that regulations were so promptly defined and put into operation. The Foreign Exchange Control Board is functioning smoothly with a minimum of inconvenience to those having business abroad and appears to have accomplished its objective in curtailing exports of capital to an absolute minimum and then only for absolutely necessary purposes.

GENERAL CONDITIONS.

It has been customary to add paragraphs dealing with the pres-

Complete Accord

And then there is the story of the Calgary man who fell into the dapper habit of carrying one glove in his hand. As he walked along the street he would slap various objects as he passed. Slap, slap, would go the glove as the gentleman passed telephone poles, car stops, hydrants, tailors' dummies. The habit had no ill effects

ent and future conditions in the United Kingdom, in the United States, and World conditions generally. You will realize that any such attempted analysis would be presumptuous and probably valueless at the present time. I might devote a few words to the future effect of the War upon the financial affairs of Canada as I see them. There seems to be no doubt but that the immediate effect will be much greater activity and therefore more profit. The prices of primary commodities and manufactured goods have already shown indication of rising while the swinging into action of manufacturing and business of all kinds is taking place rapidly. This activity should continue for the duration of the War. It might be expected that a period of depression and low prices will follow upon the cessation of hostilities and no doubt that will be the immediate effect of the termination of the War, but I am optimistic as to the future of the country and do not fear any great calamity either in the near or distant future and at the end of the War after the first depressing effects on industry are over I would look for a rapid and permanent development of our natural resources and trade. We still have our enormous natural resources, agriculture, timber, fisheries, minerals, and immense potential supplies of electric energy, and with these resources backed by a strong virile, well educated and intelligent population such as Canada possesses the future cannot but be one of promise and progress.

MR. H. T. JAFFRAY,
General Manager.

At our Annual Meeting last year I made reference to the restricting effect which the unsettled conditions in Europe had had on business activity during the preceding year. This situation continued almost without interruption for the first ten months of the Bank's current year culminating at the beginning of September in the War in which we, with other parts of the British Empire, are now involved. This condition did not lend itself to increased earnings and consequently the Management is glad to be able to report to you profits of \$66,258.53, the amount being \$4,915.74 greater than the profits shown a year ago. From these profits the usual dividend of \$10.00 per share amounting to \$700,000, or 4.8% on combined Capital and Reserve, has been paid, and the same deductions as last year, namely, \$100,000, off Bank Premises and \$150,000, transferred to Reserves against unforeseen Contingencies have been made, leaving a balance of \$16,258.53 carried forward, and making the total of our Profit and Loss Account \$665,634.04 as compared with \$649,375.51 on October 31st, 1938. We hope you will consider the showing satisfactory.

Turning to the Balance Sheet and taking the liabilities in order. Notes in circulation amounted on Oct. 31, 1939, to \$5,307,513, a decrease of \$266,298, during the year. The limit of our Circulation is now fixed at \$5,600,000, and will reduce to \$5,250,000, as on 1st of January next.

DEPOSITS.

Deposits by the Public, by the Dominion of Canada and by Provincial Governments now total \$161,570,752, as compared with \$141,563,276, a year ago, an increase of \$20,007,476, of which approximately \$10,170,000, is in the balance due to the Dominion Government, \$1,888,000, in balances due to Provincial Governments, \$3,699,000, in deposits by the Public not bearing interest and \$4,250,000, in deposits by the Public bearing interest. Balances due to Agents in Canada and Abroad total \$3,887,765, an increase of \$510,000, as compared with last year. In my remarks a year ago I was able to state that deposits as on October 31, 1938, had reached the high point of all time in the history of the Bank. I am glad to be able to repeat this statement as applied to October 31, 1939. These figures make a total of liabilities to the Public of \$170,766,033, as compared with \$150,514,062, an increase for the year of \$20,251,971.

ASSETS.

Turning to the Assets—our Cash Holdings including deposit with the Bank of Canada, and balances due from the cheques on other Banks total \$26,485,861—an amount \$516,000, less than a year ago, and equalling 15.5% of our total liabilities to the Public, as compared with 17.8% last year when you will perhaps remember I pointed out that I considered our Cash Reserves unnecessarily high.

SECURITIES.

Total Dominion and Provincial Securities maturing within the next two years amount to \$26,128,054, as compared with \$16,048,031, a year ago—an increase of \$10,080,023, and constituting a further reserve of over 15% against our total liabilities. Included in the amount is a substantial holding of Dominion of Canada Treasury Bills all maturing within 90 days. Dominion of Canada and Provincial direct and guaranteed securities not exceeding market value and maturing over two years hence total \$43,848,582, as compared with \$33,458,273, last year—an increase of \$10,390,309. I might tell you that of this total nearly 50% matures in the period between 2 and 5 years hence. Municipal securities at not more than market value total \$6,196,598, compared with \$5,071,147, a year ago, a moderate increase of \$1,125,000, and making our total holdings of Dominion, Provincial and Municipal securities, including a small amount

\$35,863, of other bonds, debentures and stocks, \$76,209,099, an increase of \$21,581,998, over last year's figures of \$54,627,101. I would point out that of this increase approximately 50% is in Dominion and Provincial securities, including Treasury Bills maturing within the next two years.

I think you will agree that your Bank is in a liquid condition which will enable it to meet the requirements of its customers, do its part in any call that may be made upon it in furthering the War, and handle such new business as will come its way.

LOANS.

Call Loans at \$5,200,024, again show a contraction of \$254,357, from the figure of \$5,454,381, given you a year ago. This contraction is, I think, moderate in view of Stock Market conditions.

Loans to Provincial Governments at \$587,928, show a substantial reduction from the figure of \$6,354,077, at which they stood last year. The reduction is not due to loss of any business, but to the repayment of certain special transactions.

Loans to Cities, Towns, Municipalities and School Districts now stand at \$7,393,783, as compared with \$7,857,618, last year—an ordinary fluctuation due to better collections.

Coming down to the item of Current Loans and Discounts in Canada, I am once more glad to report to you that these show a substantial increase, the total being \$64,080,745, as compared with \$58,274,754, a year ago—an increase of \$5,805,991, or nearly 10%. To a considerable extent this increase is the result of a much larger crop harvested in Western Canada and to the increased activity in various lines of business following the declaration of War.

BANK PREMISES.

During the past year new Premises were erected at South Porcupine, Ont. and our premises at St. Thomas, West End branch were purchased.

You will note from the Profit and Loss Account that \$100,000, has again been written off our Bank Premises, and the total now stands at \$5,850,776, as compared with \$5,946,044. The other items on the Balance Sheet, namely, Non-Current Loans, Real Estate other than Bank Premises, Mortgages on Real Estate Sold by the Bank, and Other Assets all stand at moderate amounts—the total of the four amounting to \$799,771, as compared with \$924,210, last year.

As is customary we have received from all our branches special reports on business conditions in their respective localities as at the present time. I am glad to be able to advise you that these are uniformly satisfactory and indicate a substantial improvement, the only industry where improvement still is slow is in construction. Crops, as you know, have been good throughout Ontario and particularly in the West; Industries are busy; unemployment is reduced; our Mines show increased production and woods operations are on a larger scale than last year. This situation is, of course, in a measure being brought about by war activities but it is my opinion that the movement was on the way before the outbreak of hostilities. In connection with our increased business activities it is only fitting to note that as a result of the War these activities are being more and more controlled and regulated. We are fully prepared to accept this as a necessity in the best interests of the country, and to co-operate wholeheartedly in the carrying out of these regulations, but perhaps it might not be out of place to express the hope that when their necessity has passed our Governments will not forget that within the limitations of the law it is the inherent right of every individual to manage his own affairs.

BRANCHES.

Branches of the Bank now number 195 as compared with 194 a year ago. New Branches have been opened at Pickle Crow, Central Patricia, Timagami and the Exhibition Camp, Toronto—all in the Province of Ontario, and Branches have been closed during the year at Rouyn, Que., Handel, Sask., and Pickle Crow Landing, Ont.

SHAREHOLDERS.

Shareholders of the Bank now number 2,711 as compared with 2,685 a year ago. The shares held by residents of the United States total 6,635 divided among 321 shareholders as compared with 6,887 divided among 320 shareholders on October 31st, 1938.

STAFF.

The Staff of the Bank now total 1,417 as compared with 1,432 a year ago. In addition we have 20 members of the Staff who have enlisted, absent on indefinite leave of absence, positions being assured to them on their return. I wish to take the opportunity of recording my appreciation of the manner in which every member has wholeheartedly supported the interests of the Bank and the efforts of the Management during the past year. I believe we have a staff second to none in Canada.

The following were elected Directors:

Messrs. Frank A. Rolph; A. E. Phipps; Col. J. F. Michie; R. S. Waldie; G. C. Heintzman; J. W. Hobbs; Walter C. Laidlaw; John A. Northway; G. H. Atkins; K. C. Winnipeg; H. E. Sellers, Winnipeg; R. O. McCulloch; Galt; W. B. Woods; Arthur L. Bishop; E. E. Buckfield, Vancouver; C. G. Cockshutt, Brantford.

A subsequent meeting of the Directors elected: Mr. Frank A. Rolph, Chairman of the Board; Mr. A. E. Phipps, President; Col. J. F. Michie and Mr. R. S. Waldie, Vice-Presidents.

He insisted on carrying that glove instead of wearing it. But now it has all been solved: his wife has procured another glove—just one glove. Now the gentleman walks along the street and he still slaps telephone poles, car stops, hydrants and tailors' dummies. But now he wears his own gloves and does his slapping with the odd glove which his wife has provided.

The Empire of Fear

IN MODERN warfare it is on the "Home Front" that victory or defeat will ultimately be determined whenever there is anything approaching equality of fighting power. The efficiency of industry and agriculture is no less vital to the successful prosecution of an extended campaign than is the morale and efficiency of the troops themselves. It is no longer possible to disguise the fact that there has been an almost complete collapse of industrial production in Russia and that the inefficiency of agriculture threatens a repetition of the ghastly famines during which millions of Russians starved to death while Stalin was exporting foodstuffs to maintain foreign credits for the purchase of armaments.

During the first Five Year Plan which ended in 1932 there was some reason to hope that order was emerging from the chaos of the revolution and that the vast resources of Russia were being harnessed for the benefit of the Russian people. The birth of the first Five Year Plan in 1928 followed Stalin's realization that the great reserves of gold and other metals made it possible for him to import skilled assistance from foreign countries. Scientists, engineers, and technicians from the United States, Great Britain, Germany and France were paid fabulous salaries to supervise the construction of power plants, factories, and technical institutions. Engineers from the United States, Great Britain and Canada built huge hydro-electric stations on the mighty rivers of Russia with labor which, though poorly paid, worked with some spirit in the belief that this was at last the fulfillment of the promise to put Russian resources to work for their happiness. Ford sent over engineers, architects and plant managers to construct an automobile factory which Stalin said would be the largest in the world. Others were engaged from General Motors. Engineers, architects and technicians were taken from Akron, Ohio, to build a huge tire factory. Germans were engaged to build munition plants and equip them. French experts built and equipped aeroplanes and engine factories. British engineers constructed and supervised factories for the production of electrical equipment. And so in many fields a real attempt was made to gain some of the industrial momentum which had been lost since the revolution.

Russians Take Over

The five years up to 1932 were busy and hopeful years. Russia's gold bought foreign skill and Russian workmen had some reason to believe that the sacrifices of the moment were but the payment in advance for the "Workers' Paradise" which Lenin had promised them. The Second Five Year Plan, starting in 1932, was, however, the beginning of a new and disastrous period. Most of the power plants and factories, built with complete disregard for cost, had been constructed or were nearing completion. The Second Five Year Plan called for enormous production of consumer goods and supplies. This depended more upon Russians than foreigners. The engineers, architects, factory supervisors and technicians returned to their own countries as their work was completed. Russians were supposed to have been trained to take over their task. But the men had been chosen because of their position in the Communist Party rather than for any technical ability. As year by year more of the foreign experts left Russia, men assumed responsibility who had no real knowledge of factory methods and were, therefore, actually unaware of the inefficiency of their plants. At the end of the first Five Year Plan in 1932 the starving masses had been fed with photographs of the steel and cement giants at Magnitogorsk, Chelabinsk, Berez-niki, and Dnieprostroy. Propaganda sought to create a new form of idolatry which would satisfy their spirit even if it did not fill the Russian stomachs. These mighty plants, mighty at least in appearance, were shamelessly hailed as evidence of Communist achievement. It was never admitted that they were entirely the result of the assistance given by the great industries of the hated capitalist countries and the skill of men trained under capitalism.

The Kulak War

During the period of the first Five Year Plan, which was terminated in less than five years amid loud boasts that the industrial and agricultural expansion called for in the plan had been greatly exceeded, there had been a bitter struggle to destroy the last vestiges of private ownership of farms and farm products. For nearly fifteen years the Communists had been too busy in the cities to have much time for the destruction of the old customs in the country. But during the first Five Year Plan Stalin tackled this in earnest, drove the small land-owners, the Kulaks, from their farms, and sought to end all private enterprise in agricultural production. Farm production dropped rapidly. Animals were slaughtered and none bred to take their place. Nothing but the bare necessity of producing food to keep alive seemed to animate most of those who had been farmers all their lives. Even under severe handicaps young men

BY COL. GEORGE DREW

and women from the cities, who worked under foreign advisers on the enormous Sovkoses, did better than those who had learned the pride and inspiration of owning their own cattle, fowl and grain. Agricultural and industrial disaster were imminent when the second Five Year Plan began in 1932. It came first in the country. Even with fifteen million farms forced to become part of collective Kolkoses and 5383 Sovkoses with their supply of tractors and machinery the Russian crop was a little over two thirds of that for the last year before the Great War. According to their own published statements 137,000 out of a total of 147,000 tractors on the Sovkoses were either out of commission, or in need of major repairs. Famine came in 1933 as the inevitable consequence, and, at a time when the granaries of the world were bulging with stored grain, at least five million Russians starved to death as a result of the shortage of food and equipment resulting from Stalin's methods.

Reign of Terror

It took longer for the full effect of the disaster to be felt in the cities because work in several of the capital industries was still proceeding under foreign guidance. By 1935, however, that ended and the inefficiency of production in the consumer industries became apparent to everyone. It was under those unfavorable conditions that the assassination of Kirov in December 1934 started the new Reign of Terror. In the early months of 1935 firing squads were busy. The death of this protégé of Stalin was the excuse for the permanent removal of thousands of those who had criticized Stalin's betrayal of Communist principles and the imprisonment without trial of hundreds of thousands in concentration camps. For some time in the latter part of 1935 and in 1936 there was a surface calm, but many of the old Communist leaders disappeared one by one. Then in January 1937 the mystery was cleared as the first of the famous Moscow trials was staged as a great public demonstration in the old Nobles' Club, a block away from the Kremlin on Okhotny Ryad. Among those who appeared in court were some of Lenin's closest friends and the real leaders of the revolution. Men like Kamenev, Tomskey, and Zinoviev, whose famous letter had changed the course of British political history, were described by the abject press as dogs, vipers, and other epithets which indicated clearly enough that they were already promised to the firing squad. They were accused of having joined in a conspiracy to murder Stalin and his favorites. They were accused of sabotage of Russian effort. The significance of that last charge seemed to escape the outside world. Sixteen were tried on that occasion. They were found guilty and promptly executed. But that was only the beginning.

Yagoda had been a name to arouse terror in the minds of millions of Russians who were only too accustomed to fear. But he had been a soft hearted weakling compared with the man who followed him. He was succeeded in the spring of 1937 by Yezhov. Wholesale executions soon made the dark days of the Civil War pale by comparison. Thousands were arrested and spirited away every week. In May, Gamarnik, who held a post which corresponded to that of our Minister of National Defence, anticipated events by committing suicide. In June the Russian army was staggered and the world shocked by the arrest and immediate execution of Marshal Tukhachevsky and seven of the senior generals of the army without any witnesses or any pretence of an opportunity to defend themselves. The Reign of Terror had begun in earnest.

Police Were Jumpy

I was in Moscow a month later and saw much startling evidence of the fear which had gripped the population. One man whom I had arranged by telegram to see when I arrived could not be found. I learned afterwards that he was afraid even to be seen with a foreigner. Another man, a well known professor in one of the universities, had gone "on vacation," I was informed. He has never returned. The police were jumpy, and in their anxiety to protect their own hides were constantly making foolish arrests.

I gained some personal knowledge of their frame of mind. A German spy scare was in full swing and cameras were looked upon with the greatest suspicion. I was arrested the first day I was there for taking a picture of a church being torn down on Gorky Street. But that passed off without much trouble. I was told with naive frankness that such photographs were likely to be misunderstood outside of Russia. A few days later, however, I got into real difficulties. I had taken a picture of the Nobles' Club and the House of People's Commissars, which are two of the most important buildings in Moscow, and had then walked up to the Nobles' Club and was about to take a photograph of the entrance when I was arrested and taken to a very imposing prison with greater speed than I had yet seen in Russia. I was

unaware of the fact, but for some strange reason best known to the police, they will not permit any pictures to be taken of the place where their tragic mock trials are held. Evidently they feel very strongly on this subject.

I was asked for my passport, but as that must be turned over to the police on arrival, I did not have one. Then I was asked for some evidence that I was British as I had told them. The only thing I had with my name on it was the folder containing my railway tickets. They had been bought in Berlin and every word was in German. That seemed to them to be particularly important. After some time I was taken past a number of armed sentries to a large and impressive office where I was questioned through an interpreter by a man in officer's uniform. He was not satisfied apparently and I was kept waiting for some hours. I learned afterwards that they had examined everything in my room at the hotel with the utmost care. They would not let me communicate with the British Embassy by telephone. Had I known where I was I might have been more concerned. As it was I was only annoyed. Later the same man questioned me again. In the meantime I had turned the film in my Leica camera back to zero. As a result, when I was asked on the second occasion to hand him the film, the officer who evidently knew very little about cameras of that type, quite obviously thought that I had taken no pictures. He thought this was a great joke and with unexpected courtesy handed the film back to me. Shortly afterwards they located my passport and I was released. It was not until the next day that I learned that I had been in the famous Lubianka Prison where at that very time there were a number of the political prisoners who were tried and executed the following March.

My amusing but somewhat annoying experience brought home to me very vividly just how little protection any Russian had against the police. With their own people they shoot first and think afterwards. There was, however, this much importance to the incident. It showed the extent to which the general confusion had extended itself when the taking of such an utterly unimportant picture could be treated so seriously. It was merely a symptom of a general condition.

Veterans All Gone

In March 1938 the last of the important Communists who had been associated with Lenin in the revolution were executed. Stalin had removed all opposition. From then on it was single-handed tyranny. 1937 had been the turning point. Whatever hope there had been in the building program of the first Five Year Plan, and whatever remained of that hope during the disasters of the second Five Year Plan, had been destroyed. In the words of Boris Souvarine, who, as a member of the executive of the Communist Party of France, knew Russia intimately, "the year 1937 will stand out as an indescribable nightmare in the memory of Russians, contemporary with the methodical massacre begun by Stalin under the empire of fear." From then on the path has been downward.

As a result of what has happened, competent authorities place the productivity of labor in the Soviet Union as not more than one-fifth of that of any great industrial country. The machinery installed at tremendous cost is wearing out and cannot be replaced. As punishment for inefficiency the heads of factories and their foremen are shot without trial.

In the face of these facts what cynical dishonesty it is for Earl Browder to tell the people of the United States, as he did on November 13, 1939, that "the Soviet Union has become the most powerful, prosperous and peaceful land in the world." That palpable falsehood is still repeated in Canada by Tim Buck and his followers. Let me quote again Boris Souvarine who was until recently himself an ardent Communist.

"Since the unhappy lot of the town workers as far as wages are concerned, it is the whole mass of the population which pays for this peculiarly cruel system of oppression and exploitation of man by man, ravaged by negligence and arbitrary power, venality and lies, bribery and parasitism, nepotism and tyranny, the symbolic knout and the death penalty."

The Moscow trials themselves were an answer to those who suggest that Russia is powerful and prosperous. The reason those men who had occupied many of the highest offices in Russia were tried publicly while thousands were shot without trial, was that their enforced admissions were an excuse for Stalin's failure. Communists outside of Russia tell us there has been no breakdown of transportation, but those in charge of transportation are shot for sabotage. We are told that agricultural development is satisfactory and yet those in charge of agriculture are shot for sabotage. One man is charged with spreading anthrax among the animals of the Ukraine as an explanation of the death of scores of thousands. Another is charged with sabotage in the tractor plant under his control to explain

DEPT. OF NATIONAL DEFENCE SPECIFIES



—Photo by Star Newspaper Service, Toronto.



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the shortage of tractors. And so it goes in every phase of national activity. The indictments in the different Moscow trials are themselves the most conclusive evidence of the hopeless breakdown in industry and agriculture.

Every phase of modern life de-

pends upon the skillful use of steel, the rapid production of goods, and the efficient distribution of agricultural products. Military strength depends far more than any other phase of national life on those very factors. It is, therefore, clear that Stalin's "Home Front" is hopelessly weak

and that he will not dare to advance against any army sufficiently large or sufficiently well equipped to force him to make added demands upon the disorganized industry and agriculture of the Soviet Union. Modern mechanized warfare cannot be waged successfully by a nation of slaves.

Safeguarding Valuable Property



Send for this Booklet

Have you considered the value of an outside check on your plant watchman? If he could be held up by burglars . . . become ill or injured . . . spend the night sleeping, without anyone knowing about it until the following morning, an outside check on the watchman's movements would give your property greater protection from fire and theft.

A Watchman Patrol and Manual Fire Alarm System places your property in the care of a Company whose sole business is property protection. In addition, it provides a fire alarm system available for use any hour of the day or night.

The lowest insurance rates are granted where our Watchman Patrol and Manual Fire Alarm Systems are employed.

Other Dominion Protective Systems include: Automatic and Manual Fire Alarms, Sprinkler Supervisory Systems, Electric Burglar Alarm Systems.

Where Central Station Service is not available we are prepared to install Local Systems connected to the Fire or the Police Department.

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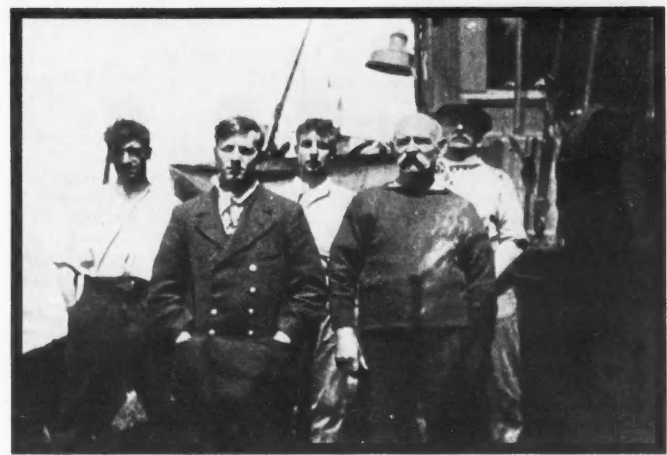
How We Fought The Mines

BY EDWIN SMITH

DURING more than three years of active service in command of H.M. ships during the last war, I saw a good deal of enemy submarines, floating mines etc., and know from observation and experience just how terrifying even a sight of one or other of them can be.

For over two years I was sailing among submarines and floating minefields. At one time, while acting as guard and protector to the fishermen on the Dogger Bank, one of my flotilla of twelve ships struck a mine and blew up with all hands. When the smoke had cleared away there was not a vestige of the ship to be seen, nor even a man in the water. Her place on the ocean was a complete blank. Presently, one head after another appeared until we had gathered nine bodies into our rescue boat. Of these nine only two were seemingly alive, and only one of them was fully conscious when pulled into the boat. That one was Paul Reader, signalman. He was sending me a message about the presence of floating mines when the explosion took place. He was thrown fully sixty feet away from the ship, and when he hit the water he landed feet first and went down a long way. "I think I must have gone nearly to the bottom, for I thought I would never reach the surface again." And then he added, "This is the fourth time that I have been blown up in this bally war." After working for nearly an hour over the other eight we succeeded in resuscitating five of them, but the other three were beyond human aid. The captain of the "Eros" was one of them.

At another time a German submarine came to the surface so close to my flagship that I might have dropped my hat on its periscope, and yet its presence caused no more excitement among my crew than a shark would have caused. In this



THE PERILS OF MINE SWEEPING. These five men were picked up by Captain Smith after the loss of the "Eros" by a mine exploding in her trawl alongside the ship.

particular case we could do nothing. Guns were of no use, and to have dropped depth bombs from our stern would have been fatal to one or more of my own flotilla that were following me. In the end, I did nothing; neither did the submarine, except to submerge again as quickly as possible.

Some weeks later, I was hardly able to keep my chief gunner from firing on one of our own submarines when it came to the surface unexpectedly, within three hundred yards of my ship. We were fishing on the Dogger during the period of food shortage in England, when, through the fog a very large submarine broke water, came fully up, and steamed around in a small circle. I was certain that I saw the white ensign displayed at the stern, but seemingly I was the only one on board my ship that had observed it. After turning around twice it submerged again. "That is a British submarine and not a Ger-

man," I remarked to my gunner, who still had his finger on the trigger of a twelve-pounder. "No, sir, we have no submarines of that type in our navy," was his reply, and then said he, "I wish, sir, you had given the order to fire, for I had a dead bead on him." And so had eleven other gunners. I signalled the gunners in the other ships not to fire until we did, if the submarine should come up again, adding "I think she is British."

I then sent a message to the Admiralty in London asking if there were any British submarines operating in our vicinity. The reply was "No. Submarine sighted by you is probably hostile." That, I admit, took some of the wind out of my sails, but still I was not convinced. I was ready to take my oath that I saw the white ensign displayed on the staff at her stern, hence my extreme caution. You see we had lost several ships already by firing on each other, each taking the other for an enemy ship, and I did not wish to make the same mistake. And besides, why did this submarine submerge so soon if she had any hostile intentions towards us?

Presently the submarine came to the surface again and did the same thing as before, though this time I could not make out what flag she was displaying as it was wrapped around the pole, but this time he stopped and signalled me by water-jet, spelling out each letter of the password for the day before, but not the correct word for the day of his appearance. This worried me still more. As soon as he had signalled me he submerged again, and still no order to fire was given. My crew almost lost faith in their commander. Their faces showed it plainly enough.

But I never gave it. The submarine came up the third time and lay still for a minute or so, then, turning slowly, steamed in our direction (with twelve twelve-pounders trained on it and twelve fingers on the triggers) and came close alongside my flagship. An English officer stepped out on deck, and looking up at me asked, "Are you the officer in command of this flotilla?" I informed him that I had that honor and asked what I could do for him.

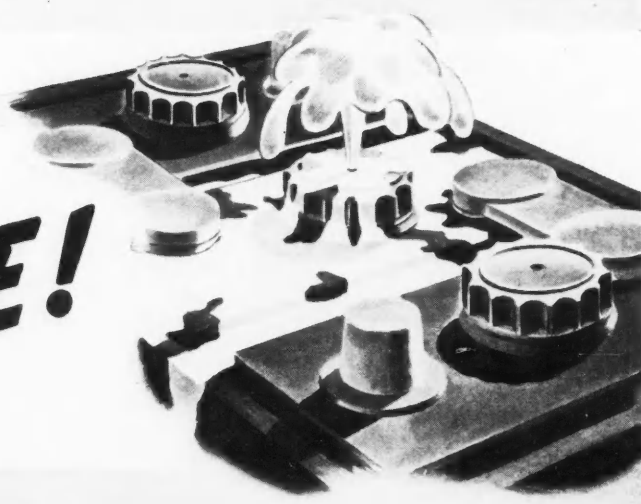
"First of all, you can probably tell me where I am, for I am completely lost; and then perhaps you can give us a bite to eat, for we have been out here in this fog for two whole days. This is a new submarine, of a new type, just off the ways. We took her out on trials intending to return in a couple of hours, but got caught in this fog and our compass is hopelessly out, so that for two days I have not been able to pick up the land."

After we had fed them all I gave the captain a small reliable compass and a large mess of fresh fish and sent them on their way rejoicing that I had not sent them to the bottom as my gunner wanted me to do. They finally reached home safely, though I am sorry to report that that commanding officer got an awful strapping from the Admiralty for risking the loss of his ship by coming up in the midst of a fleet of destroyers whose orders were, "Sink all enemy submarines at sight."

As soon as they were gone I wired the Admiralty again. "Submarine not hostile. It ate out of my hand." Thereafter, as long as I remained on that station I was known as "the man who feeds submarines out of his hand." And my reply invariably was, "Well, that's better than sinking one of our own ships."

One of my most nerve-wracking experiences came one evening when, half an hour before dark, I steamed my flotilla into a floating mine field. These mines had broken away from their moorings during a storm and were floating about on the surface, thereby creating a hazard to all surface craft. My instructions were to sink all such floating mines at sight, by rifle fire. Often when we were firing at one, another, nearer at hand, would bob up into sight, some of them only a few yards from our ships. Usually one touch is sufficient to explode one of them with fatal results. We shot at them with steel nosed bullets, either exploding them on the surface or perforating the air chamber so that they filled with water and sank where they would do no harm. It was a ticklish job and when darkness came there were still many unpunctured mines floating about, but there was nothing left for me to do but to shut my eyes, say a prayer and sail on.

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TROUBLE!



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Willard
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Safety for
the Investor

SATURDAY NIGHT, TORONTO, CANADA, DECEMBER 2, 1939

P. M. Richards,
Financial Editor

Shortage of Gasoline Menace to Germany

BY R. M. COPER

The German gasoline position presents a bewildering picture. It is so utterly hopeless that one asks oneself how the leadership of a great nation could be so irresponsible as to embark on a war in which gasoline is as vital as men and ammunition. Yet there is no getting away from these hard facts:

Germany has a gasoline reserve which is hardly greater than one-third of the annual requirements of the armed forces alone.

Germany has a synthetic gasoline industry which is just about capable of producing the needs of the armed forces, and leaves all other requirements to the mercy of imports.

Germany has a coal industry as the basis of that synthetic industry which showed signs of strain approaching breaking point long before war broke out.

THE guessing as to whether Germany has accumulated substantial reserves or something of other vital for the conduct of war has frequently deteriorated into unreasoned ghost hunting. Many of us have, for instance, been frightened by the tale that in 1938 she imported four times the volume of mineral oils which she imported in 1913. Now, this is quite true, but the fact assumes its proper perspective only if we recall that at the same time that in 1913 there were millions of Germans who had never seen an aeroplane, and perhaps not even an automobile.

And we must also remember that, when Rudolf Diesel was drowned in the Channel in 1913, engineers were still hotly debating the value or otherwise of his invention. In England, by the way, the relation between the 1938 and the 1913 imports of oil products was six to one. The mere quoting of these figures proves as little as it disproves.

Four Oil Products

To run a modern industry, a modern transportation system, and a modern war mainly four kinds of oil products are needed: gasoline, diesel oil, fuel oils, and lubricating oils. If one link in this chain is weak, the chain must break. As in the further course of our observations we shall not say much about diesel, fuel, and lubricating oils we want to state at the outset that Germany is probably able to take, with enormous difficulty, care of herself for a time with regard to any two of them, if there were not always the disturbing third one. But even so, if imports only trickle, these three links of the chain may stand soldering, and shifting of the load many a time before they will irreparably break.

The most spectacular oil product is, of course, gasoline. Here we must concern ourselves with two questions: firstly that of reserves, and secondly that of productive capacity. The first point is infinitely more important with regard to gasoline than with regard to any other product. It has lately been said, in respect of the great attack which the Germans are expected to undertake in the West, that it would be too optimistic to assume that it has not yet materialized because the German air force is short of gasoline. What are the facts?

Gasoline a Weak Link

To compensate the reader for a few sober calculations which we shall carry out presently, and which are indispensable for forming a reliable judgment, we want to anticipate their result by saying that gasoline is definitely a weak link in the German oil chain.

Now let us reckon. The numbers of the three types of vehicles, motor cars, trucks and buses, and motor cycles (we exclude air-craft for the moment) have increased greatly in Germany since 1933. In order to ascertain the quantity of gasoline which was needed to provide the new vehicles with their requirements, we have assumed that every car consumes per year $\frac{3}{4}$ ton of gasoline, every truck and bus $1\frac{1}{2}$ tons, and every cycle $\frac{1}{4}$ ton. These figures are conservative, but the smaller we assume consumption to have been, the greater will be the reserves which we shall find, and the less shall we be induced to delude ourselves. If we then make appropriate allowances for the new vehicles which do not consume gasoline, and for the old ones which were discarded, we arrive at the following result:

Additional gasoline needed for new vehicles put into service in	In thousand metric tons
1934	111
1935	166
1936	206
1937	242
1938	258

No Reserves Before 1934

We start with the year 1934 because at the end of 1933 there were no reserves of gasoline in Germany. A few hundred thousand tons had accumulated during the depression, but as

during the first year of their administration (1933) the Nazis had not put into effect their program for the thorough impoverishment of their country, they tried to save foreign currency, and depleted the reserves.

If we compare our figures with the annual movement in the import of gasoline we see that last year, the same as in 1934, additional requirements and additional imports approximately balanced, that in 1935 and in 1936 there were deficits of about equal magnitude, and that in 1937 local production had to provide 500,000 tons of gasoline alone for the new road motor vehicles.

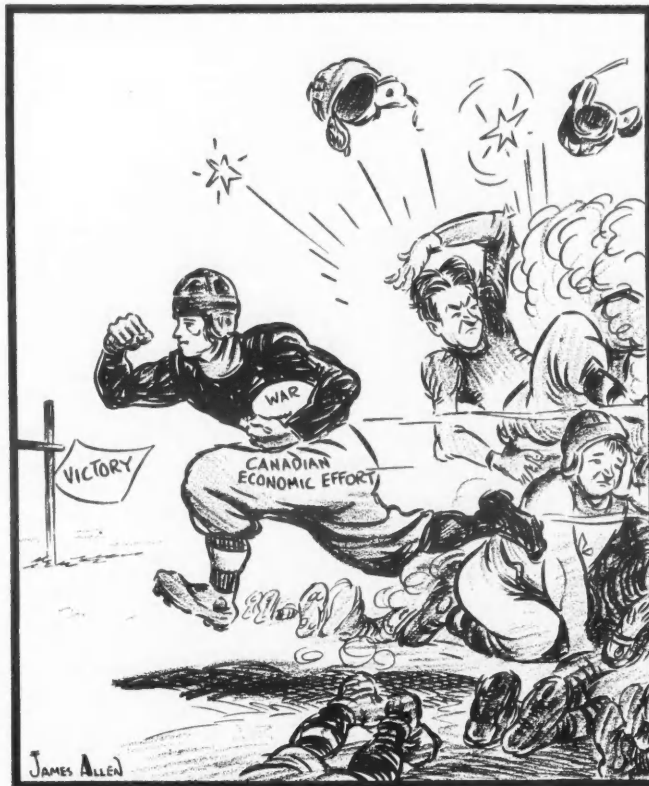
Annual movement of German gasoline imports. + more than the year before. — less than the year before. (in thousand tons):

1934	+ 153
1935	+ 66
1936	+ 101
1937	— 267
1938	+ 299

Compared with the requirements of new road motor vehicles, the movement of gasoline imports resulted in a + surplus, — deficit, of . . . thousand tons:

1934	+ 42
1935	— 100
1936	— 105
1937	— 500
1938	+ 41

An examination of what happened in 1937 will contribute to our insight. At the celebration of the opening of the thousandth kilometre of *Autobahnen* at the end of 1936 the "Fuehrer" charged the German industry to establish within eighteen



THE PAY-OFF BACK

months the industrial capacity for producing all the oil which Germany needs. Voluntary and involuntary decisions following upon this announcement led to a sharp decline in the import of gasoline in 1937, although the import volume of all mineral oils increased.

At the same time drastic measures were taken to stop the refining of gasoline from mineral oil won in Germany, a practice which industrialists had followed as far as technically possible, because the tariff protection of gasoline secured them higher profits than would have the manufacture of lubricants or other products. Considering that the German local mineral oil is suitable for making high-grade and expensive lubricants, these measures had some sense with a view to Germany's currency position, although they involved considerable capital losses.

It was hoped to kill two birds with one stone; gasoline made synthetically, and lubricants made from local

mineral oil, would both lighten the burden of imports. Could the German gasoline production, then, cover the deficits we have found, provide for the needs of civil aviation and of the army and navy, and in addition create a substantial reserve which is available now?

Expansion Difficult

The import decline in 1937, combined with an increase in consumption, had made a big hole in the German gasoline accounts, and led in spite of the sanguine hopes of the Four-Years-Planners to the conviction that to have a small reserve in hand is better than to have large productive potentialities on plans. Moreover, it was in 1938, notwithstanding enormous efforts, not possible substantially to expand the production of synthetic gasoline. This is the reason why last year the German imports of gasoline rose again. Currency difficulties, how-

(Continued on Page 9)

Profit or Loss From War for Canada?

BY W. A. McKAGUE

A flow of munitions from the United States and from Canada is contemplated in the war program, which imposes new problems on the normal trade triangle among these countries and Britain. But how are these shipments to be paid for, in merchandise or in cash, or in credit supplied by Canada? On the answer depends the further question of loss or gain for Canada, and, incidentally, the question whether there might be so serious a flow of capital from Canada as to demand the control of the Foreign Exchange Board.

TRADE relations of Great Britain, the United States and Canada, which normally are three of the leading commercial nations of the world, are due for an important change on account of the war. They would be altered no matter what policy the United States might adopt towards the war. The recent modifications in its neutrality law, to permit of sales on a cash and carry basis, merely open the door to one specific kind of exchange that would not have been permissible under the old law.

Whether these amendments will increase the total volume is doubtful. Britain may be willing to sacrifice more capital assets, in the form of gold, securities, etc., for the purchase of munitions than for ordinary goods, but whether this step will enable her to buy more goods in the long run is another matter.

The ordinary trade of these three nations was valued at over twelve billion dollars, this representing about thirty per cent of total world trade, in the latest fiscal year. A large proportion of this trade was with countries other than the three mentioned, however. The interchange of goods among the three amounted to less than two billion dollars. Between Canada and the United States there was \$836 millions, between the United States and Great Britain there was \$642 millions, and between Canada and Great Britain there was \$442 millions.

U.S. Surplus Capacity

The United States, like other neutral nations, has a large surplus capacity which is ready for export business. The offer of gold or American securities in payment removes any possible objection that might be raised if goods competing with United States products had to be accepted. Therefore if Britain should be able to maintain her normal trade, and make further purchases with gold and securities, there is the chance of an important increase in the trade.

But against this is the grave doubt whether Britain can wage a really serious war and still produce the usual volume of export goods, and there is also the war risk of shipping, which is bound to take its toll in actual loss and additional cost. Nor can we say off-hand that British trade may gain while that of Germany must lose. The world's commerce is practically cut in two by the war, with the allied navies protecting their trade on one side, but on the other side of the line the dammed-up energy of German trade is filtering back into Scandinavian and eastern European countries which are now unusually difficult of access for allied commerce.

The Dividing Line

Eastward of a line drawn from Norway to Italy there is a vast productive region extending to the far east, which is accessible to German trade. It is true that the allied field is still greater, comprising not only the British and French Empires but all the Americas as well, but it is exposed to loss so long as German raiders sail the seas.

The more the essential trade can be concentrated into protected lanes, particularly the north Atlantic, the greater will be the security and power of Britain. The French have the same problem, on a smaller and less difficult scale at present, in their commerce across the Mediterranean to their African colonies.

The famed life line of the British Empire, which stretches away round to India, is something more spectacular, and of great political moment, but is not comparable to the north Atlantic trade in respect to normal volume, much less in respect to war supplies.

Triangle of Trade

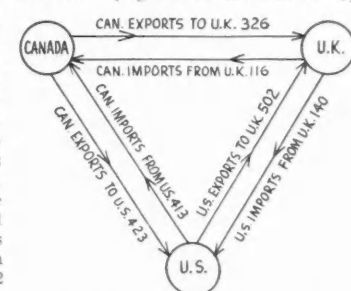
In the normal triangle of trade, Canada sells primary products to the United States and buys from it manufactures to approximately an equal value. Canada sells to the United Kingdom much more than it buys from her; the export surplus represents in some degree the payment of annual earnings on British and other outside capital invested in Canada. The United States similarly sells to

Britain much more than it repurchases, and here again there is an element of interest in the balance.

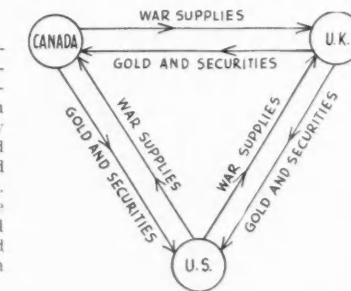
Nevertheless Britain is already in the position of having a heavy adverse balance in merchandise with both the United States and Canada. Right along she has been accepting goods as return on capital investments. Now she wants to obtain vast quantities of new goods—munitions—in quantities far beyond what her income calls for. And credits being ruled out, she has to pay in merchandise or in cash.

The difficulty of expanding merchandise sales in war time being appreciated, it is expected that gold and American securities—the very securities through which her annual income is now created—will have to be sold to the United States.

The Trade Triangle in the Fiscal Year 1938-39. (Figures in Millions of \$)



New War Demands in the Trade Triangle



Allied Resources

Estimates of what the allies have in the way of "cash" available for purchases in the United States run to about seven billion dollars. This may not be accurate, because there is now a tendency for all governments, including our own, to create a smoke screen around their finances, in order that their enemies may not perceive their strength or their weakness, and also, unfortunately, tending to withhold the truth from their own people.

But it is known that Britain and France have over four billion dollars in gold, and over two billion in American securities. Moreover, some gold and securities are already in the United States, ready for immediate purchases. It is to be hoped that Britain and France will not end up denuded of all these assets. Probably they will use them judiciously to avoid too much depreciation in their currencies. And even one billion or so, transferred over the next couple of years, will add greatly to their purchasing power, and to the volume of trade flowing between the two countries.

Such transactions will have a constructive effect on business in the United States. In place of the loans which had to be written down or written off after the last war, the United States hopes this time to secure payment in gold or in its own securities. Thus gold will be held by the Treasury against new note or bond issues, and securities will be gradually distributed to American buyers, whose money in turn meets wages and supplies used in munitions factories.

The effect therefore is the same as if the United States produced for its own consumption, but saved the entire proceeds and invested them in new capital assets.

The British Position

In Britain, however, the outcome is different. The British investor is expected to deliver his shares in General Motors, or Woolworths, or other American corporations, and accept in exchange new British government bonds. The American securities then go out of the country, and the munitions

(Continued on Page 11)

THE BUSINESS FRONT

The Strength of Gold

BY P. M. RICHARDS

CANADA'S gold mining industry is worried these days, about a number of things. It is worried about taxes and the taxation possibilities, Securities Commission regulations that make financing difficult and discourage the search for new properties, and statements by professors that gold has lost its usefulness and might as well be discarded.

Yet—from the longer term viewpoint at least—the gold mining industry has probably less real reason for worry today than at any time in its history.

For notwithstanding the theorists, the war is already demonstrating that gold is as important and necessary as it ever was—and maybe more so. The government is fully aware of this, and is scarcely likely, despite its eagerness to increase tax revenues, to permit the development of gold production and the progress of the gold mining industry to be hindered.

There are several reasons why Canada must not only maintain but increase her production of gold. And they are all good ones.

The Allies must have gold to pay for their purchases from neutrals, and neutrals must have it to finance their trade with each other, for promises to pay are not good tender in these times. War supplies bought from the United States have got to be paid for (no credits this time) in cash or its equivalent, which means in securities or gold. The Allies' stocks of these things are not enough to finance more than quite a short war, because their financial resources have been seriously depleted by the last war and the ensuing years of depression. So they must have gold, all the gold they can get. All the gold South Africa and Canada can possibly produce will not be a bit too much, if the war is prolonged.

The Sinews of War

Canada in particular needs gold and plenty of it, because she has undertaken to supply munitions to Britain on credit while at the same time she will have to pay cash for necessary war supplies purchased from the United States. Her credit, always A1 until now, is no good in the U.S. in wartime. So, though gold is not a war metal like nickel, copper, lead and zinc, Canadian gold is going to provide the very sinews of war.

And, with this situation now, what is the position of gold going to be in the future, after, perhaps, a long war has exhausted other financial and credit resources? Undoubtedly the menace of

credit and monetary inflation is greatly increased by this war. When it is over, gold will very likely have to be remonetized to replace the world's present paper currencies, the value of which may have been destroyed by war inflation.

In the First Great War, the participants created 400 per cent. more debt in a few years than they had in the preceding century. National debts reached unheard-of levels. Most nations reduced their debts very slightly in the first decade after the war, but then followed the Great Depression with its ten years of deficit financing. The theory still is that income surpluses in prosperous years will enable a gradual retirement of the debts and eventual return to solvency, but the actual record does not hold out much promise of this, since nowadays national debts continue to climb in even the relatively good years.

Inflationary Price Rise

Thus events leading up to the present war have created a strong base for inflation. And right now British economists are voicing their disquiet because the aggregate purchasing power in their country is increasing faster than the production of consumption goods. This is already bringing about an inflationary rise in prices, despite the best efforts of the authorities to prevent it.

This war promises to be still more costly than the last, because of the much greater degree of mechanization of armies and because national organization for war now embraces all the people and productive resources of the countries concerned. If the war is a long one, it is going to boost national debts, and the cost of carrying them, to impossible heights.

There is only one way in which those debts can be disposed of or reduced to bearable levels, and that is by the time-honored method—inflation. The value of an ounce of gold will not be \$20.67 or \$35 or \$41.34 but \$65 or even \$100.

Destruction of public confidence in paper currencies will probably make return to metallic currencies essential, or at least to paper currencies fully exchangeable for metal. And that metal will necessarily be gold, because (1) gold is the only suitable metal, on various counts, and (2) nothing but gold commands universal confidence.

Thus gold holds today an exceedingly strong position.



THE MONTREAL COTTONS LIMITED

NOTICE IS HEREBY GIVEN THAT A QUARTERLY DIVIDEND OF ONE AND THREE QUARTERS PERCENT (1 3/4%), being at the rate of Seven percent (7%) per annum, has been declared upon the preferred stock of the Company, and cheques will be mailed on the fifteenth day of December next to shareholders of record at the close of business on the 30th day of November, 1939.

By Order of the Board,
CHAS. GURNHAM,
Secretary-Treasurer.
Valleyfield, November 22nd/39.

The Montreal Cottons Limited

NOTICE IS HEREBY GIVEN THAT A DIVIDEND OF ONE HALF OF ONE PERCENT (1/2%), has been declared upon the Common Stock of the Company, and cheques will be mailed on the fifteenth day of December next to shareholders of record at the close of business on the 30th day of November, 1939.

By Order of the Board,
CHAS. GURNHAM,
Secretary-Treasurer.
Valleyfield, November 22nd/39.

GOLD & DROSS

It is recommended that answers to inquiries in this department be read in conjunction with the Business and Market Forecast.

CANADIAN PACIFIC

Editor, Gold & Dross:

I am holding some Canadian Pacific common which I paid a good deal more for than it is presently selling. Would you advise me to hold or sell?

—F. N. C., Ottawa, Ont.

While I think that Canadian Pacific common shares are less attractive than some of the leading Canadian

industrial stocks at this time, I do think that they have some speculative merit and I would be inclined to hold, for the time being at least, if I were in your place.

In response to the rising trend of industrial production and export to Great Britain, the recent marked improvement in operations of Canadian Pacific should continue over the balance of the year. Because of the lack of elevator space at storage points, grain movement has slowed up considerably over the past several weeks, but loadings of food stuffs, manufactured goods, forest products and coal should continue in heavy volume. Smaller non-operating income is indicated for this year, and costs have already increased, but it is estimated that 1939 returns will approximate the 1937 showing of 30 cents per share. In 1938, a deficit of 32 cents per share was shown on the common stock. Dividends are remote.

CANADIAN CAR

Editor, Gold & Dross:

I am sorry to be bothering you again about Canadian Car & Foundry but I would like to know if you have any recent news regarding the injunction that has been filed in the Federal Court of the District of Columbia to halt the \$50,000,000 award and so hold up the company's share.

—D. K. L., Vancouver, B.C.

I understand that there are prospects of an early settlement of the claim that Canadian Car & Foundry has against the German government: the decision of the Washington, D.C., Federal Court in the injunction action, which was brought to block payment of the German money impounded in Washington to Canadian Car and other claimants in the Black Tom and Kingsland explosions, is expected to be rendered in the next two or three weeks. Even if an appeal is made to the Supreme Court, the winding up of the obligation is expected shortly thereafter, for the data in the case are complete and there is no necessity for a long-drawn-out hearing and investigation.

GYPSUM, McCOLL

Editor, Gold & Dross:

I have been a subscriber to your paper for over 30 years and I write to ask your opinion of the outlook of Gypsum, Lime & Alabastine as compared with McColl-Frontenac, should the war last for say 3 years and would you advise a switch for the first into the second.

—N. T. K., Bloomfield, Ont.

I think the outlook for domestic building has been dulled by the outbreak of war and consequently, that the stock of Gypsum, Lime & Alabastine has less than average attraction at the present time. However, I think there are more attractive switches than McColl-Frontenac.

On the basis of indicated earnings, I do not think that the current quotation is in view of the higher values.

BUSINESS AND MARKET FORECAST

BY HARUSPEX

The market's long-term or year-to-year trend, under Dow's theory, continues upward. The short-term or month-to-month trend is in question, pending outcome of current testing movement. See comment below.

THE PRICE MOVEMENT. Among the reasons advanced for the New York stock market's recent failure to keep in step with the rise in business has been uncertainty over the duration of the war and also foreign selling of U.S. stocks. As to the latter question, our estimates, based upon a check with leading investment and banking houses, indicate that such selling has recently been proceeding at a rate of between \$1,500,000 and \$2,000,000 daily.

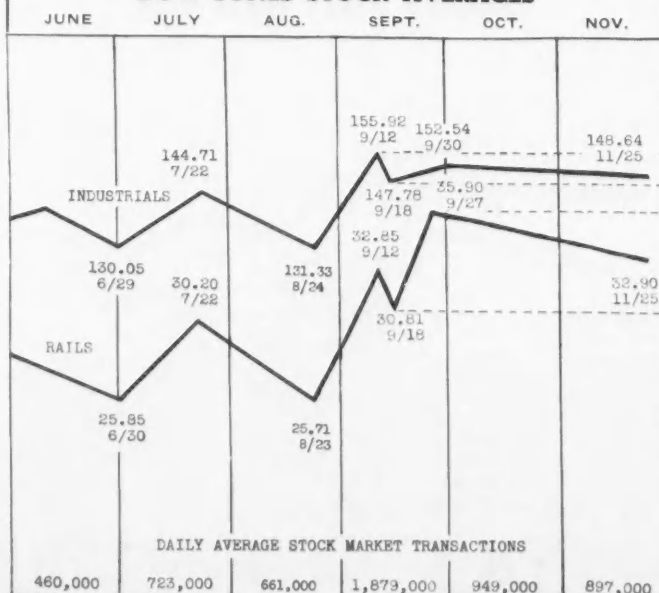
For the period from October 1 to November 10, daily trading over the floor of the New York Stock Exchange, where the bulk of foreign selling takes place, averaged around 1,000,000 shares. Taking a figure of \$40 as the average price of all stocks traded, this would indicate a daily turnover of \$40,000,000. On this basis, as compared with a maximum \$2,000,000 estimate of foreign selling, the stock market has been recently absorbing about 5% of foreign issues in its turnover. This figure checks roughly with official estimates recently released indicating a 4% absorption.

Foreign selling, to date, and even making additional allowance for the inaccuracies that accompany any broad estimate, certainly appears as an influence on the market but would not seem a predominant one. As to any major increase in such selling, last week's foreign letter of the Whaley-Eaton Service (Washington) stated: "We are advised that the Allied control is not 'dumping' securities in New York and will not dispose of appreciable quantities of stocks at this time. It is clearly against their interests to sell American securities now at a comparatively low price when this market represents their last line of defense in purchasing military supplies."

Regardless of what may be the reasons behind the market's rather extended period of irregularity following the September advance, stock prices, on normal ratios of recent years, have not kept pace with the earnings improvement that is being witnessed over the last half of 1939. With money rates still relatively low, and the investment demand, as indicated by advancing prices for high-grade bonds, still active, it would appear reasonable to expect an eventual discounting, by the stock market, of the favorable domestic earnings picture.

From the technical approach, the market continues in the board trading range of the past two months, as illustrated on the attached chart. While there are yet no indications suggesting that the irregular period is about to end, or that a dip to the 146/140 level on the industrial average can be ruled out as a possibility, the entire movement from mid-September has more the earmarks of a consolidating phase preliminary to renewed primary advance, rather than the initiation phase of a sustained decline. A dip here by both the Dow-Jones railroad and industrial averages toward their closing prices of October 9-10 (32.79 and 148.75) in which (1) one or both averages held such lows and (2) then moved above their closing prices of November 20 (34.08 and 151.69), would lend hope that forward action was once more getting under way.

DOW JONES STOCK AVERAGES



NINETY-FIRST ANNUAL REPORT OF

THE CONSUMERS' GAS COMPANY OF TORONTO

Year ended 30th September, 1939

Your Directors present herewith the Ninety-first Annual Report of the operations of the Company, together with the Financial Statements for the year ended September 30th, 1939.

The gross operating revenue for the year amounted to \$7,398,587, which exceeded by \$283,221, the amount required to meet operating expenses, taxes, actual repairs and renewals and the regular dividend.

In addition to its advertising and promotion activities for the stimulation of the use of gas among all classes of customers, the Company has endeavored to promote the sale of gas for cooking, water heating, refrigeration and house heating, by making available to its customers the most modern, attractive and efficient gas-burning appliances. The sales of such appliances during the year have been substantially increased, while the sales of appliances for the last seven months of the year exceeded those of the corresponding period in the previous year by 49 per cent.

Operating expenses including Taxes amounted to \$5,148,300 and compare with \$5,046,024 in 1938. The increase for the year of \$102,276 is attributable mainly to the larger quantity of coal carbonized and is more than offset by an increase of \$155,408 in the value of residuals produced.

Taxes embracing Property Taxes, Dominion Income Tax and Ontario Corporations Tax, amounted to \$549,063, or an average of over \$10,560 per week. By the provisions of the War Budget passed by the House of Commons on September 12th last, the Dominion Income Tax on Corporations was increased from 15 to 18 per cent. The increased rate will first apply to the earnings of the Company for the year which will end September 30th, 1940.

Total payrolls amounted to \$1,871,024. The general scale of wages and salaries has been maintained and conditions of employment further improved. At the close of the year there were 1,236 employees on the payrolls, of whom 76 per cent, had been in the service of the Company for ten years or more.

During the year 31 employees, who had long terms of service to their credit, were placed on the pension list. There are now 45 former employees receiving pensions from the Company.

It was not necessary during 1939 to make any additions to the manufacturing plants. Capital expenditures were confined almost entirely to the extension of gas mains and the installation of gas services to cover districts in which new buildings were being erected.

Expenditures for the upkeep of the various properties and plants totalled \$511,544. This sum was charged against the Plant and Buildings Renewal Fund to which Fund there was transferred from earnings the statutory appropriation of \$1,093,074, leaving a balance of \$581,529 to be added to the Fund. In order to transfer the full appropriation to the Plant and Buildings Renewal Fund it was necessary to draw upon the Reserve Fund to the extent of \$298,308.

For many years the Company has carried insurance policies in amounts considered by the Directors sufficient to afford reasonable protection against possible losses from fire, explosions and public liability and property damage accruing by reason of the Company's operations. Upon the declaration of war, guards were placed on duty at the Manufacturing Plants and other protective measures were taken against possible sabotage.

At the end of the year there were 4,340 shareholders of whom 55 per cent, were women. The average holdings per shareholder was 33 shares.

All of which is respectfully submitted.

T. BRADSHAW,
President.



Have you made your will?

ONLY by making a will can you be certain that the property you spend a lifetime in acquiring will go to those whom you want to have it. Only by the appointment of an experienced Corporate Executor can you be certain that it will be efficiently administered.

As your Executor, name

THE
ROYAL TRUST COMPANY

3903

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100%
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DOMINION Textile Co. Limited

Notice of Preferred Stock Dividend

A DIVIDEND of One and Three Quarters per cent. (1 3/4%) has been declared on the Preferred Stock of DOMINION TEXTILE COMPANY, Limited, for the quarter ending 31st December, 1939, payable 15th January 1940, to shareholders of record 30th December, 1939.

By order of the Board,
L. P. WEBSTER,
Secretary
Montreal, November 23rd, 1939.

DOMINION Textile Co. Limited

Notice of Common Stock Dividend

A DIVIDEND of One Dollar and Twenty-five cents (\$1.25) per share, has been declared on the Common Stock of DOMINION TEXTILE COMPANY, Limited, for the quarter ending 31st December, 1939, payable 2nd January, 1940, to shareholders of record 15th December, 1939.

By order of the Board,
L. P. WEBSTER,
Secretary
Montreal, November 23rd, 1939.



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NOTICE OF DIVIDEND

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NOTICE is hereby given that a quarterly dividend of Twenty Five Cents (25c) per share has been declared on all issued Common shares of the Company without nominal or par value, payable on Thursday, the 28th day of December, 1939, to shareholders of record, Monday, the 18th day of December, 1939.

By order of the Board,
THOS. J. BRAGG,
Secretary-Treasurer.
Dated at Toronto, this 23rd day of November, 1939.



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GOLD & DROSS

(Continued from Page 8)

tions on McColl-Frontenac are high. However, I do think that the appeal of the stock is considerably lessened by higher taxes and the fact that the company must purchase all the crude oil for its refineries, for its Trinidad production is small and not suitable for its refining needs. Earnings in 1939 should show a satisfactory gain over the 38 cents per common share earned in 1938. Early resumption of the common dividend is not likely.

COCHENOUR WILLANS

Editor, Gold & Dross:

Can you tell me when Cochenour Willans is likely to get into production and if you think the shares have any appeal at present prices? Any information will be appreciated.

—W. E. D., Saskatoon, Sask.

Cochenour Willans Gold Mines should be in production before the end of the year and I think the shares

offer interesting speculative possibilities for a hold. A 150-ton mill has been constructed and capacity can easily be increased to 200 tons or more. Ore lengths on the first two levels total over 1,700 feet. A grade of around \$14 is expected, although the actual grade will not be known until milling commences.

Approximately 5,000 tons of ore from the 150-foot level were treated at the Gold Eagle mill earlier in the year for a bullion recovery of \$83,000, while \$17,000 was lost in tailings, indicating a grade of over \$22. On the basis of 200 tons daily, earnings in the neighborhood of 20 cents a share per annum are considered likely. The shaft has been deepened to 375 feet and diamond drilling indicated a new orebody below the second horizon. The company has an authorized capital of 3,000,000 shares and outstanding options will bring issued shares to 2,675,000. An adequate treasury position is assured when milling starts next month.

oline plants are situated in the Rhine and Ruhr valleys, as far as they work coal. The lignite hydrogenation plants are in Central Germany, the largest one, I. G. Farben's Leunawerk, at Merseburg in the Prussian province of Saxony. Anyone who has traveled by train for miles along the side of the Leunawerk will agree that there can hardly be another target in the world which is not so conspicuous and so vast, but through its very nature so vulnerable that one bomb may blow it to the skies, no matter where it hits if it hits at all.

Home-Made, or No Oil

This is what the Falmouth Report of the Sub-Committee on Oil of the Committee of Imperial Defence had in view when it stated in January 1938: "The Committee have come to the conclusion, as the result of their examination of the various important factors, that in general a policy of depending on imported supplies with adequate storage, is the most reliable and economic means of providing for an emergency; and they cannot recommend the reliance of the country in wartime on supplies of oil from indigenous sources especially established for this purpose."

But we must admit that whereas England had the choice between imported and home-made oil, Germany had only the choice between home-made oil and no oil at all, in the case of war. It is unlucky for the Nazis that they set out to solve this problem in a way in which it cannot be solved in spite of the fact that they did not allow "democratic" considerations of profitability to be an obstacle in their way. Had Hitler not met Stalin so late, he might have learned something from the Russian experiences.

Anyway, if the Nazis had exported the coal which they used during the last few years to make the iron for their oil plants, and further the coal which they consumed for producing oil, the currency proceeds would have gone a long way towards paying for the import of all the necessary mineral oils, and perhaps even for accumulating a reserve which might have been larger than the one they have now.

Of course, they would then not have had their oil plants. But, although these plants were admittedly their only hope once they were bent on war, they may yet turn out to be a miscalculation in quite another than the economic sense.

Shortage of Gasoline Menace to Germany

(Continued from Page 7)

ever, prevented the rise from exceeding the rate at which new road motor vehicles were put into service.

This alone would justify the conclusion that the position cannot have been too satisfactory, indeed, if with a consumption of over three million tons of motor spirits of all kinds last year it was considered desirable to increase the imports of gasoline by a mere 300,000 tons. If this were done to help consumption, the case would be desperate. But it may have been done to replenish the emergency reserve, especially after the conquest of Austria which consumed large quantities of gasoline and other oils.

If we now look at the actual German production of synthetic gasoline and other substitutes, it is hard to discover anything but a picture which cautions souls on this side of the barricade would call wishful thinking.

We can exclude from our observations the mineral oil won in Germany because we have seen that it is no longer being refined into gasoline, and we have then to deal with motor spirits made by the three processes of carbonization, hydrogenation, and synthesis.

be added which constituted technical benzene for purely industrial purposes. A further allowance has to be made for civil aviation, gasoline-driven fishing boats, pleasure yachts, and the like. Finally the consumption of the armed forces must be added. All this had to be provided for out of the gasoline imports which amounted last year to 1.36 million tons.

Requirements Rising

For 1937 an undisputed German estimate placed the peace time annual gasoline consumption of the armed forces at 1,403,000 barrels, which corresponds to roughly 150,000 metric tons. In view of the expansion of the air force and other mechanized units since, it will not be exaggerated to assume it to have been 200,000 tons last year, and probably 250,000 tons at the outbreak of war.

The 1938 imports of 1.36 million tons of gasoline had, then, to cater for technical uses with 300,000 tons; deficit for road motor vehicles with 200,000 tons; civil aviation etc. with, say, (very conservatively) 50,000 tons; army etc. with 200,000 tons.

The gasoline left was thus 600,000 tons, which would be the upper limit of the gasoline reserve available at the end of last year, since in view of the foregoing we have no reason to assume that there was a substantial accumulation in the country at the beginning of 1938. Under normal circumstances this reserve might have increased during the current year until the outbreak of war, but this must appear doubtful considering the seizure of Czechoslovakia.

A likewise undisputed estimate by a German military authority put the wartime gasoline requirements of the armed forces at eight times their peace size, which would mean roughly 2,000,000 tons. If we compare this annual wartime demand with the reserve which is available now, and which according to our calculations so far is less than one third of it, we may see here a very tangible reason for the inertia of the German air force. This conclusion gains in strength if we take into account the gasoline cost of the Polish war.

It cannot be denied, however, that there is probably sufficient gasoline available in Germany for attempting one shattering air thrust. The question is then, what thereafter if the war goes on.

Productive Capacity

This leads us to our second problem, that of productive capacity. We have already stated most of the relevant figures. There cannot be any doubt that last year's production of 1.8 million tons of gasoline cannot be repeated under war conditions, even if we allow for a number of factories which commenced operations towards the end of last year and during the first eight months of this year. These factories may be quite capable of making up for the falling away of 650,000 tons of benzol and spirits, but there are other points to be considered which we shall see presently.

We may mention here that certain quantities of gasoline will be saved through the cessation or the curtailment of a number of civil activities, but this will not weigh heavily on the credit side. For other services will have to expand, probably to a considerably greater extent than that of the saving. And above all, there is the fact to be considered that the total German gasoline production on the level of 1938 would just be sufficient to provide for immediate military needs, and that every drop beyond these needs will have to be imported. The other requirements were 2.8 million tons in 1938!

Industry is Air Target

The raw materials are certainly available. 2,000,000 tons of synthetic gasoline would require 10,000,000 tons of coal or lignite, a negligible quantity compared with Germany's 1938 output of close on 200,000,000 tons each of coal and lignite. But also this point is not decisive.

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Concerning Insurance

Hazard of Personal Suretyship

BY GEORGE GILBERT

Although the unwisdom of an individual becoming surety for another is emphasized in Holy Writ—for example, in the Proverbs of Solomon there are several warnings against the dangers of personal suretyship, one being, "Be surety for another and harm is at hand"—and although experience over a lengthy period has proved that such risks should be avoided, yet people are still being asked to act as bondsmen for others.

Corporate suretyship is the modern way of eluding the pitfalls of personal bonds, and as there are many strong bonding companies regularly licensed in Canada and prepared to furnish these guarantees at small cost, there is no longer any good reason why anyone should be called upon to give or to accept a personal bond.

VERY few persons would consent to act as bondsmen for others if they understood the liabilities they were assuming in doing so. As a matter of fact, when an individual becomes surety for another he encumbers his property and involves himself, his estate and his heirs and legatees for a lengthy period.

There is really no valid reason nowadays why a person should give or should accept a personal bond, because a bond can be obtained from a corporate surety or bonding company at small cost. Usually the request to become a personal bondsman is made by a friend and, as a rule, is made in good faith, the applicant often being ignorant of the fact that in doing so he is taking an unfair advantage of his friend. In such cases, the applicant should be referred to any one of the many corporations engaged in the business of selling the bonds required.

It is not generally realized that, in signing a bond, the personal bondsman makes himself responsible for the obligations resting upon the person bonded. That is, on going on the bond of an executor, administrator, trustee, or official, he guarantees that person's honesty and fidelity, and obligates himself to the extent of the bond for the payment of all money involved in the event of loss through his dishonesty or dereliction of duty.

Often a personal bond is for a large amount, and there is no time limit to the liability. By affixing his signature to the bond, the signatory in effect places a lien upon his estate until the person bonded is discharged by the court or until his accounts have been audited and found correct. Neither can the estate of the personal surety be settled until the bond is cancelled, and the bond cannot be cancelled until the person for whom he is surety receives his legal discharge.

Inadequate Protection

From the standpoint of public bodies, individual estates and trusts of one kind and another requiring bonds for their protection, it must likewise be admitted that personal bonds furnish inadequate protection for their funds. When a loss occurs, it is often found that the resources of the personal surety are far from sufficient to make good the loss or

have disappeared entirely. Of course, personal sureties never expect to have to meet a loss and accordingly make no provision for it.

What are known as fiduciary bonds are generally required from those appointed by will or deed, or by order of the court, to receive, handle and account for trust funds. Fiduciaries include those who administer the estates of deceased persons, of insolvent persons or corporations, of incompetent persons, and occasionally special estates set aside by deeds of trust.

In some jurisdictions the amount of the fiduciary bond is required to be equal to the value of the personal estate to be administered, but in other places the amount is left to the discretion of the court, and varies according to the wisdom and state of mind of the judge making the appointment.

As to the cost of corporate fiduciary bonds, it varies from three to nine or ten dollars per thousand per annum, depending upon the nature and extent of the bond, whether it is known to be or likely to be of long duration; on the language of the will or trust provisions; on the provisions of the law or decisions of the courts applicable to the particular class of bond; on the nature of the assets covered by the bond; on the amount of such assets compared with the amount of the bond; on the likelihood of debts; on the financial responsibility of the fiduciary; on the age, experience, record and reputation of the fiduciary and his lawyer, etc.

Liability Continues

In the case of fiduciary bonds for the administration of estates, the liability continues until all debts and taxes against the estate are paid, and the balance is distributed to the next of kin. Bonds for guardians continue until the infant reaches his majority and receives his estate. Other fiduciary bonds continue until the particular duties required have been performed.

Then, for the proper discharge of the principal and the cancellation of the liability of the surety on the bond, an accounting and settlement in court is always wise, and, in fact, is generally necessary. If the fiduciary has advertised for debts, as permitted by law, he is freed from liability for those claims not submitted within the prescribed period.

Then there are bonds required in court cases. They are known as judicial bonds, and are often divided into two classes—plaintiff's bonds and defendant's bonds, the former being regarded, as a rule, as less hazardous than the latter. Defendant's bonds are nearly always financial guarantees, that is, bonds guaranteeing the payment to the plaintiff of a liquidated sum of money. On the other hand, plaintiff's bonds guarantee to indemnify the defendant against damage occasioned by the act or omission of the plaintiff.

Court Bonds

Bonds for costs, attachment, injunction or replevin are among the most common kinds of bonds given by plaintiffs, while bonds to discharge attachments, to open a default judgment, to discharge a mechanic's lien, or to stay execution of a judgment pending appeal, are familiar types of defendant's bonds.

Defendant's bonds are regarded by many underwriters as among the most hazardous written by surety companies, and the cost is therefore comparatively high, running from one to two per cent per annum, whether the company is fully secured by collateral or not. The rate for plaintiff's bonds is on the average about half the rate charged for defendant's bonds.

Experience over a lengthy period of years has shown the wisdom of refusing to give or accept personal bonds, and to insist upon corporate bonds in every case where suretyship is needed or required. Although a few generations ago personal suretyship was necessary, there is no longer any occasion for it in view of the large number of sound surety and bonding companies now regularly licensed to furnish such protection.

Corporate suretyship is the modern way of avoiding the pitfalls of personal suretyship, and of profiting by the experience of others. The words of a well-known law writer have been quoted before in this connection: "The shores of the sea of commerce are strewn with wrecks of those who unwisely became surety for others, and prudent men always avoid it."

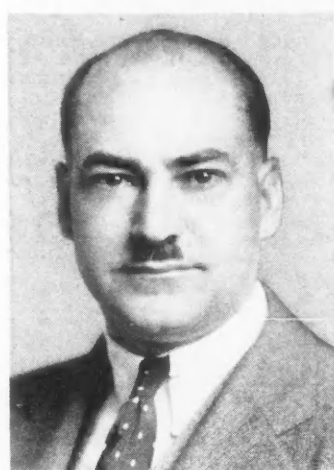


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Mutual Life Aids Employees Who Enlist

IN ACCORDANCE with its announced desire to render all available aid to the country in its present crisis and to co-operate fully in all measures designed to promote the successful conduct of the war, the board of directors of the Mutual Life of Canada has notified its head office and branch office staffs that assistance will be rendered to employees who leave to serve the Empire.

An immediate benefit of full pay for one month after enlistment, without any deductions, will be followed by further salary continuation benefits during the entire period of absence. The amount to be paid will be adjusted by government allowances to soldiers, the difference making it possible for dependents to carry on at home while the employee serves with his country's forces.

It has also been announced that positions will be retained for all those who leave to become soldiers, and the period of absence will be credited to the employee as service with the company when he returns.

Standard Life Bonus

THE Standard Life Assurance Company reports satisfactory results for its one hundred and fourteenth financial year which ended on November 15th. This company has always been noted for its conservative financial policy, and it is interesting to see that the usual \$21 compound bonus is being maintained in the case of claims by death or maturing endowment assurances.

A similar course is being followed under any cash dividend policies that may become claims, the prevailing scale of dividends being adhered to.

Owing to war conditions, the actuarial investigation which in normal times would have been held as at November 15, 1939, has been postponed. When no bonus has been declared as at that date, but when the next investigation takes place all participating policies in force will be entitled to share in the profits in respect of any premiums due and paid since the last declaration of bonus. At this time when the world outlook is so uncertain the policyholders of the Standard will no doubt appreciate fully the cautious policy adopted by the company in the past which has placed it in a position to face the future with confidence.

Inquiries

Editor, Concerning Insurance:
As a subscriber to your valued paper I would be obliged if you could tell me something of the record of the "First National Insurance Co. of America." Are they safe to insure with?

—M. F. W., Vancouver, B.C.

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Profit or Loss From War for Canada?

(Continued from Page 7)

tions received in exchange for them are consumed in the war.

Thus Britain loses a productive asset and adds to its internal debt. This will make a material difference to its economy, depriving it of part or all of the annual income from external investments which has helped maintain its purchasing power and living standards for generations past. How serious this change will be of course will depend on the duration and severity of the war. Conceivably it may put Britain back where it was a century ago—an industrial nation obliged to produce and sell goods to exchange for everything that it needs to import.

Canada has been kept in the background of this discussion, because we are sandwiched between the two major interests. Our relations with the United States parallel those of Great Britain to the extent that we also must spend something on the war, and for this purpose will want to supplement our own productive power by some special purchases in the United States, and if the need is great enough we may be disposed to sacrifice some gold and American securities.

On the other hand we have a relation with Britain itself which to some extent duplicates that of the United States. We are out of the immediate war zone, and are in a position to produce for Great Britain essential supplies, possibly exceeding all that we may have to spend on the war on our own account.

Thus while Britain is bound to lose economically, and the United States is bound to gain, Canada may find her credits exceeding her debits, or vice versa, depending upon the severity

of the struggle. Added to this is the fact that our location makes us an intermediary for deals between Britain and the United States.

Too Much Control?

In view of these facts, and the intimacy of the relations between Canada and the United States, the Canadian public is still wondering at the temerity of its government in setting up a complete control over foreign exchange. Indeed, our friends across the line have been equally amazed, especially in view of Canada's export surplus of recent years, and the alleged strength of its trading position as a whole.

From surprise they have changed to an attitude of suspicion and extreme caution, and as a consequence they are resolved not to make any more commitments here. That is part of the damage resulting from the drastic step, which writes finis to the investment of United States capital in Canadian development. And it should be pointed out that while the Canadian government can control the machinery of foreign exchange in Canada, it cannot extend its jurisdiction to the United States, the markets of which continue to find levels for the Canadian as well as for the other foreign exchanges, and in which markets United States traders can deal in Canadian exchange without any regulation by the Canadian board.

For instance, on November 13 the Canadian dollar was bought and sold at 87½ cents in the United States, while the Canadian board was still maintaining its official quotations of 10%—11% premium on the U.S. dollar, which rate presumed to give the



W. T. A. MacFADYEN, formerly district superintendent of Ontario of the Bank of Montreal, who has been appointed assistant general manager for the Ontario division, resident in Toronto. Mr. MacFadyen began his banking career as a junior in the Merchants Bank of Canada in 1906, and was taken over with it when that institution merged with the Bank of Montreal. After various promotions, he became assistant superintendent of the Ontario division in 1925, and district superintendent in 1931. Mr. MacFadyen's travels and personal contacts with the 184 offices of the bank's Ontario division have given him a wide experience of the mercantile and industrial life of Ontario, and a no less wide acquaintance among the business men of Toronto and the province.

—Photo by "Who's Who in Canada".

Canadian dollar a value of about 90 cents in U.S. money. Under these circumstances, it was obviously advantageous for the United States trader to buy his Canadian funds in his own markets, but to sell Canadian funds in Canada, as far as possible.

Such discrepancies must give rise to problems which no one-sided control can hope to meet completely, if business is to continue anything like its normal course.

A Permanent Control?

Sponsors of the Canadian control scheme justify it on the ground that Canada may have to sell to Great Britain on credit while at the same time buying from the United States for cash, or we may have to offset repatriation of Canadian securities from Great Britain by selling back to the United States some of its own securities. They further felt that while nothing so drastic would be needed for a short war, it was better to be prepared for a long one.

These arguments show a desire to secure the control as a precautionary measure. And from past experience we may reason that Ottawa will cling, through peace as well as war, to a machine which gives it so much power over private enterprise, and even should a liberal-minded government be disposed to forego it, there will be powerful arguments for the application to socialistic purposes of a power which had been utilized for the prosecution of the war. In any event we must agree with our American neighbors in taking a very pessimistic view of the scheme and of its effects on the Canadian economy.

If we had no war responsibility, we could be like the United States, and take back our own bonds in payment for our shipments to the allies. Thus by liquidating part of our external debt we would be increasing our control of our own assets.

But as we have to spend as well as receive, and have to make some special purchases in the United States for both our war and manufacturing operations, we have to find cash or its equivalent to cover these purchases while at the same time financing our sales to Britain.

Our Financing Plan

What is planned seems to be about as follows: For every \$100 of goods shipped to Britain we will accept payment in the form of a \$100 Canadian bond now held there, but in order to pay the producers we must raise that amount of money internally, say by selling the bond or a new one to take its place. That operation does not of itself change the amount of our debt. We have to raise the money, but with industry so stimulated by war orders, such financing should be feasible.

There is this other angle, however. To fill the orders, we may have to spend at least 25 per cent. of their amount in the United States, for parts, raw materials, special equipment, etc. Thus we have to not merely raise the \$100; we have to convert at least \$25 of it into United States funds. And that, in short, is the basis for the scheme to "conserve" foreign exchange.

It is at least unfortunate that the limelight was thus turned on the weakness rather than on the strength of Canada's position in the new war deal. It certainly washes out the stimulating effect of all that had gone before, in the way of making Canada the reserve base for the needs of the Empire; not that we have to profit by this unique development, but rather that we might expect to see Canada thereby remain such a good field for capital as to be able to compete with the best.

An Abnormal Triangle

The war superimposes, on the normal triangle of trade between Britain, the United States and Canada, another abnormal triangle contemplating a flow of munitions from the United States to Britain, another flow from Canada to Britain, and a kind of subsidiary movement from the United States to Canada. It will be desirable for these purchases to be met as far as possible by exports of merchandise.

To do this it is necessary that other imports be curtailed, and this is effected by taxation and by adverse exchange rates. As little as possible should be left for settlement out of capital items such as gold and securities, for these are assets which cannot easily be replaced.

Possibly it will be a good thing, in the long run, if major foreign investments are liquidated or curtailed, for, by making some nations great creditors and others great debtors, they have been the cause of major international disturbances, creating artificial prosperity during the time of lending and unusual difficulty when it came to repayments.

But so long as they remain, it is certainly better to be on the creditor than on the debtor side. It is particularly the case that Canada, being an international debtor to the tune of about seven billion dollars, should cling at all costs to the two billion or so of foreign assets which it now possesses as a partial but comforting credit.

The Purpose of Insurance

To protect from Major losses by fire, accident or malicious injury and to impart a sense of security that assures peace of mind. Mentally and financially the results are cheap at the cost.

UNION INSURANCE SOCIETY OF CANTON LTD

HEAD OFFICE FOR CANADA
1400 Metropolitan Building, Toronto
COLIN E. SWORD, Manager for Canada
J. W. BINNIE, Associate Manager (Montreal)

BANK OF MONTREAL

Established 1817

A presentation, in easily understandable form, of the Bank's

ANNUAL STATEMENT

31st October, 1939

LIABILITIES

LIABILITIES TO THE PUBLIC

Deposits	\$ 914,909,050.45
Payable on demand and after notice.	
Notes of the Bank in Circulation	21,767,292.00
Payable on demand.	
Bills Payable	172,632.57
Time drafts issued and outstanding.	
Acceptances and Letters of Credit Outstanding	7,914,256.36
Financial responsibilities undertaken on behalf of customers (see off-setting amount in "Resources").	
Other Liabilities to the Public	3,739,690.56
Items which do not come under the foregoing headings.	
Total Liabilities to the Public	\$ 948,502,921.94

LIABILITIES TO THE SHAREHOLDERS

Capital, Surplus and Undivided Profits and Reserves for Dividends	77,005,445.86
This amount represents the shareholders' interest in the Bank, over which liabilities to the public take precedence.	
Total Liabilities	\$1,025,508,367.80

RESOURCES

To meet the foregoing Liabilities the Bank has

Cash in its Vaults and Money on Deposit with Bank of Canada	\$ 94,641,456.72
Notes of and Cheques on Other Banks	29,244,762.91
Payable in cash on presentation.	
Money on Deposit with Other Banks	77,357,497.05
Available on demand or at short notice.	
Government and Other Bonds and Debentures	517,171,255.95
Not exceeding market value. The greater portion consists of gilt-edged securities which mature at early dates.	
Stocks	470,131.88
Industrial and other stocks. Not exceeding market value.	
Call Loans outside of Canada	19,142,173.17
Secured by bonds, stocks and other negotiable securities of greater value than the loans and representing moneys quickly available with no disturbing effect on conditions in Canada.	
Call Loans in Canada	4,573,822.19
Payable on demand and secured by bonds and stocks of greater value than the loans.	
Bankers' Acceptances	2,767.95
Prime drafts accepted by other banks.	
TOTAL OF QUICKLY AVAILABLE RESOURCES (equal to 78.29% of all Liabilities to the Public)	\$ 742,603,867.82
Loans to Provincial and Municipal Governments including School Districts	36,712,818.28
Other Loans	220,548,911.41
To manufacturers, farmers, merchants and others, on conditions consistent with sound banking.	
Bank Premises	13,900,000.00
Two properties only are carried in the names of holding companies; the stock and bonds of these companies are entirely owned by the Bank and appear on the books at \$1.00 in each case. All other of the Bank's premises, the value of which largely exceeds \$13,900,000, appear under this heading.	
Real Estate, and Mortgages on Real Estate Sold by the Bank	1,073,717.21
Acquired in the course of the Bank's business and in process of being realized upon.	
Customers' Liability under Acceptances and Letters of Credit	7,914,256.36
Represents liabilities of customers on account of Letters of Credit issued and Drafts accepted by the Bank for their account.	
Other Assets not included in the Foregoing	2,754,796.72
Making Total Assets of	\$1,025,508,367.80
To meet payment of Liabilities to the Public of	948,502,921.94
leaving an excess of Assets over Liabilities to the Public of	\$ 77,005,445.86

PROFIT and LOSS ACCOUNT

Profits for the year ended 31st October, 1939, after making appropriations to Contingent Reserve Fund, out of which Fund full provision for Bad and Doubtful Debts has been made, and after deducting Dominion and Provincial Government Taxes amounting to \$1,198,413.43	\$3,462,446.04
Dividends paid or payable to Shareholders	\$2,880,000.00
Appropriation for Bank Premises	500,000.00
	3,380,000.00
Balance of Profit and Loss Account, 31st October, 1938	\$ 82,446.04
	1,183,254.52
Balance of Profit and Loss carried forward	\$1,265,700.56

HUNTLY R. DRUMMOND,
President

JACKSON DODDS,
G. W. SPINNEY,
Joint General Managers

The strength of a bank is determined by its history, its policy, its management and the extent of its resources. For 122 years the Bank of Montreal has been in the forefront of Canadian finance.

SHAW AND BEGG LIMITED

SECURITY STABILITY SERVICE

Everyone Needs— Personal Property Protection

Our PERSONAL PROPERTY FLOATER is a comprehensive policy. It affords protection for all descriptions of personal property and household goods belonging to you and your family of the same domicile, against loss or damage by fire, theft, or any accidental causes occurring anywhere. This Personal Property Floater is needed by nearly every individual. We suggest you ask our Agent for full particulars or write us direct

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Established 1885

THE CASUALTY COMPANY OF CANADA

HEAD OFFICE - TORONTO
GEORGE H. GOODERHAM, President
A. W. EASTMAUR, Managing Director

AGENCY OPPORTUNITIES
IN SOME TERRITORIES THROUGHOUT CANADA

NEW YORK UNDERWRITERS INSURANCE COMPANY

CAPITAL—FULLY PAID \$2,000,000 ASSETS, \$8,137,193.50
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H. A. JOSELIN, MANAGER FOR CANADA—TORONTO

PROVINCIAL AGENTS
R. Y. HUNTER, MONTREAL
OSLER, HAMMOND and NANTON, Ltd., WINNIPEG
ALFRED J. BELL & CO., Ltd., HALIFAX, N.S.
FRANK R. and GEO. E. FAIRWEATHER, LTD., ST. JOHN, N.B.

TORONTO GENERAL AGENTS
MURPHY, LOVE, HAMILTON, and BASCOM, TORONTO

A complete British Empire and Foreign Banking Service

ROYAL BANK OF SCOTLAND

Incorporated by Royal Charter, 1727.
249 Branches throughout Scotland. HEAD OFFICE—EDINBURGH

London: City Offices—3, BISHOPSGATE, E.C.2.
R. WEST SMITHFIELD, E.C.1.
49, CHANCERY CROSS, S.W.1.
London: West End—64, NEW BOND STREET, W.1.
BURLINGTON GARDENS, W.1.

TOTAL ASSETS £85,891,644

Associated Bank—Williams Denon's Bank, Ltd. (Members of the London Bankers' Clearing House)

CONTINENTAL

FOUR SQUARE

Four Square Protection for Yourself and Family

Total Payments to Policyholders and Beneficiaries Since Incorporation Exceed \$12,000,000.00

75% of which was paid to living policyholders

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ESTABLISHED 1899

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Specializing since 1866 in the engraving and printing of monetary documents for government and industry.

BRITISH AMERICAN BANK NOTE COMPANY LIMITED

The Old Canadian Company

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President

CHARLES G. COWAN
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G. HAROLD BURLAND
Sec.-Treas.

HEAD OFFICE: OTTAWA
262 Wellington Street

511 Place d'Armes
MONTREAL

1110 Montreal Trust Bldg.,
TORONTO

Clarkson, Gordon, Dilworth & Nash
TORONTO MONTREAL HAMILTON WINNIPEG VANCOUVER
Chartered Accountants
E. R. C. CLARKSON & SONS
Authorized Trustees and Receivers.
15 Wellington Street West TORONTO



H. T. JAFFRAY, general manager of the Imperial Bank of Canada, who was able to report a slight increase in the bank's profits in the fiscal year ended October 31, 1939, despite the restricting effect of European conditions on the general business situation during the major part of the year.



COL. A. L. BISHOP, who succeeds the late Thomas Bradshaw as president of the Consumers' Gas Company of Toronto. Col. Bishop is also a director of the Imperial Bank of Canada and of the Manufacturers' Life Insurance Company and is president of Coniagas Mines, Limited.

—Photos by "Who's Who in Canada".

Western Oil and Oil Men

BY T. E. KEYES

LAST week the Franco-Vermilion No. 1 well blew in as gas producer at 1610 feet. The fact that it is located about eight miles southwest of the Franco-Battleview crude producer and about 250 feet higher on structure indicates that a very wide structure exists in that area. The producing horizon was reached within a few feet of where geophysical and geological surveys indicated it would be.

As this is written, the gas flow at this well has not been accurately measured, but is estimated at between 5 and 10 million feet a day. The gravity of the crude of the Franco-Battleview well was 14.6 baume. Should this structure prove to be as good as presently anticipated, a much higher gravity crude between the flank and the gas cap is likely to be obtained.

Border Petroleum well, located in the Taber area, started testing last week. It has been completed for some time, but, due to a water intrusion which was considered to be coming from above the lime formation, it was impossible to make a proper test until the casing had been cemented at the lime contact. This cement job has now been made and the various horizons are being tested. As this is written, it is still too early to say what the result will be, but some oil has been obtained.

The Brown Consolidated Jumping Pound well, which has been tied up with a fishing job, has now overcome the caving difficulty by running a string of 7-inch casing to the bottom of the hole at 6634 feet. Drilling was resumed early this week, and by the time this edition of SATURDAY NIGHT reaches you, we should know whether the well is going to contact the lime (which is the producing horizon in Turner Valley wells) or whether it is going into a fault, which would mean a dry hole and a loss to the operators of about \$150,000. If, on the other hand, it should be a good producer, it proves up a new oil field worth millions of dollars. Just imagine the strain for the next few weeks on the R. A. Brown and General Andrew Belton interests, who are financing this well.

Mines

BY J. A. McRAE

SHERITT Gordon Mines is holding production at a rate of more than \$250,000 every thirty days. Production for 1939 will exceed \$3,000,000 and will be approximately 10 per cent. above the rate established in 1938. A survey of official records covering operations up to this time has suggested an operating profit of approximately \$780,000 will be shown on the current year's operations. As the year draws toward a close, Sheritt Gordon finds itself in the strongest financial condition in its history. The question of dividend consideration appears to be a reasonable development for the new year soon to begin. The milling plant has recently attained a rate of 2,000 tons of ore per day.

Steep Rock Iron Mines has completed installation of an electrically operated mining plant. Sinking with the original equipment was carried 125 ft. in depth. Work will now go forward at a more rapid rate with a depth of 1,200 ft. the first objective.

Elmos Gold Mines, financed largely through Newmont Mines, has suspended operations. Work was carried to 500 ft. in depth. Some narrow and short ore shoots were encountered, but in the aggregate appear to represent a problem as to their commercial value.

Stadacona Rouyn Mines is reported to be considering another reorganization.

Sigma Mines in Quebec produced \$511,000 in the third quarter of this year, and has recently established records closely approaching \$200,000 a month. The mill is up to a rate of nearly 25,000 tons a month and the ore is grading around \$8 per ton.

BANK OF MONTREAL

REFLECTING the continued expansion of industrial operations, greater agricultural and mineral production, enlarged business activities, and participation in government financing, the statement of the Bank of Montreal for the year ending October 31, 1939, shows a substantial growth in assets and a moderate increase in earnings. Total assets of \$1,025,508,367, an increase of \$151,252,539, have in fact reached the

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\$3.65 per \$100.00—Repayable in 12 Monthly Instalments.

Consult our nearest manager.

BANK OF MONTREAL

ESTABLISHED 1817

"a bank where small accounts are welcome"

highest level in the bank's history and represent a new high mark in Canadian banking. Profits of \$3,462,446 showed an increase of \$64,056 after the payment of government taxes of \$1,198,413 — which were higher by \$45,795.

As against the expansion in deposits there is an increase of \$48,703,634 in the bank's cash assets to \$201,243,716 and of \$122,268,748 in liquid assets to \$742,603,867, while current loans in Canada at \$257,261,729 are larger by \$29,558,280. Apart from substantial holdings in cash at \$94,641,456, and money on deposit in other banks at \$77,357,497, holdings of government and other bonds and debentures, of which "the greater portion consists of gilt-edge securities which mature at early dates," are up by \$76,434,435 to a total of \$517,171,255. This, together with the increase in deposits, may be taken in part as reflecting the bank's participation in the recent \$200,000,000 federal government loan taken

up by the Canadian banks generally. The expansion of current loans is a highly satisfactory indication of the part the bank has played in expanding industrial and general business activities. The effect of the greater business activity has also been to increase the bank's deposits from the public.

Concerning Insurance

(Continued from Page 10)

group, which is under the same management and control. It maintains a deposit with the government at Ottawa of \$143,900 for the protection of Canadian policyholders exclusively, and all claims under its policies are readily collectable. The General Insurance Company of America is also regularly licensed in Canada and has a Government deposit of \$456,550 for the exclusive protection of Canadian policyholders. All claims against it are also readily collectable.

Why Canada is Healthier...

AND HOW YOU CAN HELP TO KEEP IT THAT WAY

YESTERDAY

1909—Thirty years ago in an average community tuberculosis was the leading cause of death. Such other diseases as typhoid fever, scarlet fever, diphtheria, whooping cough, and measles were also common causes of death. The annual toll of fatalities from preventable causes was entirely too high.

Today

1939—During the past three decades, the death rate for tuberculosis, according to latest available figures, has declined more than 66%; for influenza and pneumonia, 24%; for measles, 87%; for whooping cough, 59%; for diphtheria, 90%; for scarlet fever, 87%.

CANADIANS BORN TODAY HAVE, on the average, a prospect of living ten years longer than those born a generation ago.

More people now live to see their heart disease, cancer, or syphilis completely cured or checked.

Tens of thousands are enjoying years of life they would have been deprived of a generation ago by diabetes, pernicious anemia, or tuberculosis.

Progressive Canadian communities have banished diphtheria, typhoid fever, smallpox as public hazards—and every community can! Safety education has created safer environments in homes and factories, and helped reduce accidents.

Why is Canada so much healthier? Because a tireless, eminently capable body of men and women—medical and public-health workers, and those engaged in safety work—

have within one lifetime so brilliantly extended our defenses against disease and causes of death.

They have discovered the causes of many diseases and have produced effective vaccines and serums for their prevention and treatment. They have safeguarded our milk, water, and food supplies and the very air we breathe. They have helped us establish efficient health departments.

How can you help Canada to maintain its enviable health record?

First of all, by guarding your own health—having regular medical check-ups and seeing your doctor promptly in the event of sickness. Second, by concerning yourself with the efficiency of your community's health services. And third, by giving your support, whenever you have the chance, to the cause of better local health conditions.

METROPOLITAN LIFE INSURANCE COMPANY

NEW YORK

FREDERICK H. ECKER
Chairman of the Board

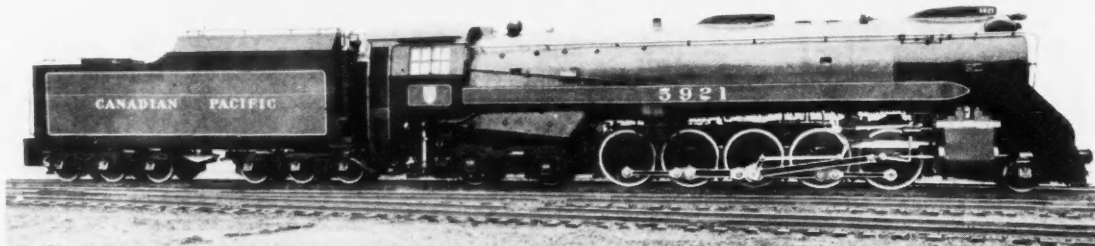


LEROY A. LINCOLN
President

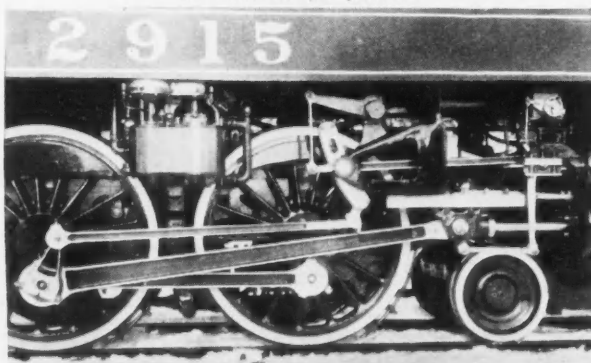
CANADIAN HEAD OFFICE—OTTAWA

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STEEL FROM ALGOMA KEEPS THEM ROLLING!



For the C.P.R.'s new giants—series 5920 to 5929—Algoma supplied carbon steel billets for axles... nickel steel billets for rods, draughtbars, etc... S.A.E. 3125 bars for studs... ordinary bars for lugs... iron for ashpan. Montreal Locomotive Works, Ltd., Builders.



Running gear for C.P.R. Locomotive 2900 series built by Canadian Locomotive Company, Ltd. A large tonnage of Algoma billets, structural sections and bars, including spring steel was used in construction.



IT'S STEEL against steel that clicks out the miles when railways move men... materials... merchandise. Steel is the staple of railway materials. And for 38 years the Men of Algoma have been supplying it to Canada's railways.

Now, when the rhythmic clatter of wheel on rail says Canada is working at full speed, Algoma's productive capacity in railway steels is more complete than ever.

Algoma production is helping the railways do their key job today. It provides rails to 130 lbs. per yard... structural sections to 15"... carbon and alloy steel bars and billets... splice bars, tie plates, special car sections.

And manning production are the Men of Algoma—makers of steel of standout quality. With them on the job, more and more steel from Algoma will help to keep the wheels clicking their tune of high-gear action all over Canada.

ALGOMA STEEL CORPORATION, LIMITED
Montreal—SAULT STE. MARIE—Toronto
B. C. Agents: F. Drexel Company, Vancouver

Shipments of rails like those at left, leave Algoma's plant regularly.

ALGOMA STEEL

SATURDAY NIGHT

PEOPLE

TRAVEL

FASHION

HOMES

THE ARTS

TORONTO, CANADA, DECEMBER 2, 1939

CHRISTMAS BOOKSHELF—Significant Books of the Season

The Life of a Chinese Family

BY MORLEY CALLAGHAN

MOMENT IN PEKIN, by Lin Yutang. McClelland and Stewart. \$3.00.
THE CHINESE NOVEL, by Pearl Buck. McClelland and Stewart. \$1.75.

"MOMENT IN PEKIN," as a title for a book that takes in the life of a family over a period of the last forty years or so in modern China, might be considered in a sense a nice little conceit on the part of the author, if it weren't that when you read the book and began to drift along in the flow of the years you began to see that in the civilization of a great people lasting for four thousand years the some thirty or forty years a particular author wishes to concentrate upon are indeed but a moment.

And it seems to me that the author, Lin Yutang, deliberately points up this difference in conception of time between the East and the West in the selection of his title because when you, as a reader, have begun to feel this difference, you not only begin to get the feeling of the book but you get the author's, or the Chinese approach to the relationships of the people and the flow of the story.

An outline of this story simply can't be given in a few words. It is the record of an upper class family in Peking at the time of the Boxer rebellion, and the fortunes of the family are followed right up to the Japanese invasion. The two daughters, three daughters-in-law, and three sons offer the contrasts in character that the author wishes to expose to the changing times in China.

So the book is like a slowly flowing stream with an even surface, the slow current carrying the waters on to some great sea beyond the knowledge of man. You pick on some one character that attracts you, (for me it was the charming little girl, Mulan,) and you try and see the flow of incident and character with her. There is no fierce concentration on the individual at all, though, in the way a western novelist builds a universe around a single great individual character. And while a great gallery of characters does appear, they are not a great gallery in the Tolstoyan sense; the individual just doesn't seem to be that important. And so no matter how severe the hardship the characters face you don't get that feeling of deep despair, or the single individual crying out in protest to the gods in the Greek sense of tragedy.

But what you do get is something quiet and lovely and often very touching and maybe far truer to life. It is as though life was seen much more evenly, touched more often with moonlight than by the fierce glare of the sun. It is possible, of course, for the reader to miss this, and even if he does, there is plenty left for him, because the book on the surface may seem to be the familiar chronicle novel of a family history that English readers like so well. If you take it that way and like it, so much the better because you will be getting the Chinese approach to the flow of life without noticing it.

BUT in that quietistic Chinese way there are lovely things all through the book: the little girl Mulan is lost in the rush from Peking during the Boxer trouble and separated from her family and she is found and taken to live with other people while her family make the journey to be with her again. The scenes among the children are lovely, very even, and very touching; they don't break your heart but they touch you and leave you with that sense of wonder which can only be achieved by very fine work. Again and again this experience for the reader recurs as the book grows; the characters grow older and so are more separated from each other; they are painted in great detail. The lavish use of detail makes the book very attractive for a westerner because he feels he is seeing a picture of a strange civilization slowly unrolling before his eyes. And surely even the dullest reader must



LIN YUTANG

be touched by the high degree of civilization in the relationships among the characters, and their acceptance of the customs and the wisdom behind the customs. In fact our progressive West often seems to the reader to be a little crude, and when you think of how western writers for hundreds of years have been popping off about East and West and the difference between civilization and barbarism you feel a little ashamed.

In the mind of this one reader, though, there was some question about the purity of the approach of Mr. Lin Yutang to the material. You feel it in his continual explanations for westerners thrown into the body of the book, some matter of detail, or customs that indeed need an explanation: but you begin to wonder at times how truly Chinese the eyes of Lin Yutang are now; are they always looking at this flow of Chinese life out of Chinese eyes? I mention this, not because it is clearly evident that the book is written in this version for Westerners, but because my memory of Lin Yutang's "Importance of Living" was that he seems to be presenting Chinese thinking and customs and beliefs as they might be seen half the time by, let us say, Clifton Fadiman of "The New Yorker." Maybe Lin Yutang has been too touched by the West.

IT CERTAINLY is helpful to have Pearl Buck's little book on the Chinese novel by your side when thinking of starting in on "Moment in Peking." The book is really the address she delivered as the Nobel lecture before the Swedish Academy and is extremely interesting. Miss Buck points out that the Chinese novelist was never considered an artist by the scholar—the Chinese novel, as a result, belonged to the people, and it was written in the common language and had its own vitality that the scholar could not destroy. And so some of the novels have lived for hundreds and hundreds of years.

There is just one point: while it may be true to say that the old Chinese novelist never considered himself an artist and was never treated as an artist, that does not prove that he was not a very great artist, and that the product of the individual novelist, worked over again and again by other hands, was not a great work of art. It simply means that the author of the great Chinese novels was more or less anonymous, he didn't think of himself as an artist; but the same thing can be said of the men who built the cathedral at Chartres. Those very great artists did not think of themselves as artists, they were simply workers in paint and glass and stone, but Europe has not produced greater artists. And maybe it is the same way with the great Chinese novels; they remain, the work of many hands, like the great medieval Cathedrals, shining monuments of Chinese civilization.

More of the New Books

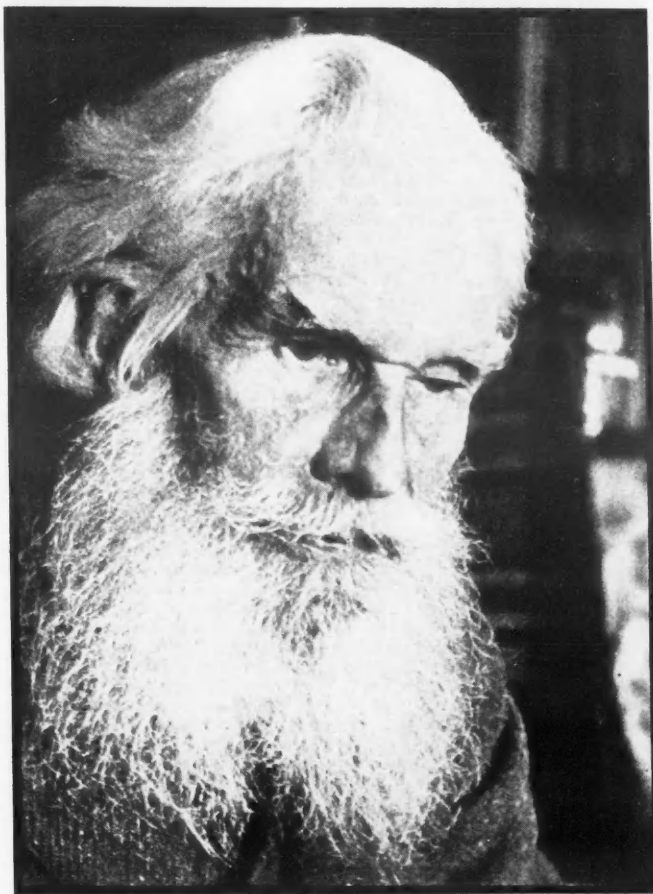
IN ADDITION to those mentioned on this and succeeding pages, the following books—reviews of which will appear in early issues—should interest Christmas-conscious book buyers: LAND BELOW THE WIND, by Agnes Newton Keith (McClelland & Stewart, \$3), a good-humored chronicle of a woman's life in North Borneo, written in a style which Mary Lowrey Ross describes as "candid, informal and cheerful"; LIVE AND KICKING NED, by John Masefield (Macmillan, \$2.75), a sequel to "Dead Ned", which W. S. Milne regards as "a very readable yarn, swift-moving and absorbing";—it is a sea-going thriller of the lively uninhibited Eighteenth Century; IN PLACE OF SPLENDOR, by Constanca de la Mora (McLeod, \$3.75), an inside story of the Spanish "Civil" War which has the complete admiration of G. W. Hicks;—the authoress was in the thick of it as a Loyalist and her chronicle burns with her own amazing vitality; THOREAU, by Henry Seidel Canby (Thomas Allen, \$4.50), probably the definitive biography of the great American writer which receives such praise from Pelham Edgar as "Brilliantly accomplished";—"enlightened interpretation".

LOVE HAS NO RESURRECTION, by E. M. Delafeld (Macmillan, \$2.25), short stories by the Provincial Lady, which, according to Kenneth Millar, display all the author's skill and charm, even if he has some critical words on the subject of their form; THE LIFE OF SIR EDWARD CLARKE, by Derek Walker-Smith and Edward Clarke (Nelson, \$5.50). Sir Edward was the famous Victorian advocate who defended Oscar Wilde and new light is shed in this volume on that famous trial as on many others, reports Hector Charlesworth.

JACK LONDON AND HIS TIMES, by Joan London (Doubleday, Doran, \$3.50), described as an unconventional biography, is found by W. S. Milne to be devoted more to the political and social background of the author's father than to his personal life; THE NEVER FAILING STREAM, by Maurice N. Eisendrath (Macmillan, \$2.50), a collection of significant sermons by the brilliant Toronto rabbi which Claris Edwin Silcox commends as "vibrant with reality".

Of unusual interest also are these books just received from the publishers: GREEN GROWS THE CITY, by Beverley Nichols (Nelson, \$2.50), wherein the author of "Down the Garden Path" tells how he moved into the city (London) and took his garden with him; THE SECOND WORLD WAR, by Duff Cooper (Nelson, \$3)—the former First Lord of the Admiralty discusses the historic events of the past twelve months; WASTE HERITAGE, by Irene Baird (Macmillan, \$2.50)—a novel of Western Canada by the Canadian authoress of "John"; TALES BEFORE MIDNIGHT, by Stephen Vincent Benet (Oxford, \$2.50)—short stories by a master craftsman; CONFESSIONS OF AN IMMIGRANT'S DAUGHTER, by Laura Goodman Salverson (Ryerson, \$2.50)—A Canadian novelist, descended from the Vikings, writes her autobiography.

The Christmas children's books, for which we have no space this week, will be discussed in next week's issue by Margaret Lawrence.



HAVELOCK ELLIS

A New Country is Born

BY JESSIE McEWEN

CITY OF GOLD, by Francis Brett Young. Ryerson. \$3.00.

THIS book is like a great old house.

One becomes so well acquainted with its main rooms and corridors that he thinks he knows the house and its treasures well. Then one day he finds a hitherto unknown corridor that leads to a sequestered room of richness and beauty. This may happen many times, depending on the vastness and grandeur of the house, and so it is with this book. The corridors and rooms that are hidden away from the central ones, that is from the chief theme, are many. No first reading, or second, will suffice for "The City of Gold." It is a house of many rooms and in its vastness many may be overlooked. Not that any should be, for all of them are worthy parts of the whole structure.

So much for general comment on Mr. Brett Young's most recent book drawn from South Africa's turbulent past. It is a stupendous book, done with meticulous care one feels as one reads, and never with too much wordiness to hide the main subject. In fact it is never wordy, but it is

crowded with substance, some of it recording of historical data, some powerful narrative, some stirring drama of a new people forming in a new and not wholly discovered land, some big and fine romance, and some of it vigorous and fine portraiture of the leaders who emerged from the confusion of purpose and resolution.

Perhaps you read "They Seek a Country." If you did you will recall the fearful young English convict, John Grafton, who found refuge with the Huguenot—Boer family of Prinsloo and married their sweet-voiced daughter Lisbet. Together they escaped the Blaauwkrans massacre and made their home in the southern Transvaal. Their home they called Wonderfontein, and when the story opens Lisbet Grafton is contemplating her life and its sombre setting. It has not been an easy life; her eldest son, Adrian, had been born before their sun-baked bricks were reared into their first home. Two of her sons had gone to, and not returned from, the Basuto wars. Now as the tale opens and Lisbet turns over the pages of her life, thirty-two years of it spent in the comparative quiet of the Witwatersrand southern slope, she pauses to think, not of Adrian, but of Andries who three years before had trekked north-ward to tiger-haunted forests of Zoutpansberg. Thinking of Andries brought her anxiety and a sense of impending change. So vast a country in land and people and the land as varied as the people who draw a living from it, could not settle to complacent and easy calm. Trouble—as it has in the past—looms grimly before Lisbet Grafton and she knows that change is seething about her again.

THE story does not stay with Lisbet Grafton; nor does it expand to draw her husband, never free of the long-reaching arm of English law; it takes a forward course and glides to their sons, representative of the forces struggling for power in South Africa. There is Adrian, for all his English blood a pure Boer farmer and suspicious of the new sources of wealth being uncovered in the country. Adrian has a deep love for the land his ancestors settled and it is that love, primarily, that has led him into politics and into the confidence of the tragic Boer leader, Burgers. The next son is Janse and in him the two people from which he drew life, mingle strangely. Janse loves the land, but he loves adventure more; the diamond fields lure him; gold fascinates him, but adventure chiefly is his guiding star. And Piet, more English than the English in manner and outlook, and resolute in his will to achieve security. In these three, and in the vigorous, big-voiced Andries, all pioneers carving a new home in the north, you have the forces that struggle to shape the destiny of South Africa.

The story does not stay with the Graftons, although they are the chief "corridor" and main "rooms" of the great house that is the book. Like an intriguing, cunning room whose very existence is not established at once, is Meninsky, a Jewish trader with a

Havelock Ellis and His Wife

BY B. K. SANDWELL

MY LIFE, by Havelock Ellis. Thomas Allen. \$4.50.

IN AN AGE when passionate love tends to be thought of more and more widely as a matter of physical adjustment in the sex relationship—to be acquired by attending lectures in "technique"—it is a matter for profound thankfulness that we have here been presented with a record, observed with scientific detachment and set down with high literary skill, of an unquestionably great passion in which the physical side of the sex relationship played an almost negligible part. That the result of this passion was not "happiness" in the ordinary acceptance Ellis frankly admits; but the result of passion is never happiness—at any rate until the passion is spent. It is something more; it is the realization of life. In a long and extraordinarily beautiful paragraph on page 496 Ellis says: "I do not know what happiness may be, but it is not life. I have lived. And this woman, by her peculiar temperament, by her acute sensibility, by her energy of impulse, by her deep hold of my most sensitive fibres, struck out the notes of joy and anguish which are love and which also are life."

The amazing completeness with which this mutual passion is revealed to us is due to the accidental and fortunate combination of certain different qualities in the two participants: in Ellis a devotion to scientific truth which enables him to overcome all the reticences, the sentimentalities, the involuntary shyness and suppressions, which prevent most of us from making a realistic picture of our own emotional lives; in his wife an energy of emotional self-revelation in letters which enables us to see her as she appeared to herself though it needs a lot of adjustment to make it an accurate portrait. Highly sensitive natures are seldom perfectly normal—if there be such a thing as a norm—on the side of sex, and these two were no exception, though Ellis's peculiarities were slight; his wife was definitely homosexual, and was pursued throughout her life by what seems to me to be the most tragic element in the fate of those who possess that characteristic, namely that in the homosexual relationship one of the parties seems always to be deficient in moral character—unworthy of the passion lavished by the other party to the relationship. (Goodness knows this is a tragedy which happens often enough in the heterosexual relationship; men, and women, of the highest nobility of character do not always find their "elective affinity" in a person of opposite sex with equally high endowments. But in the homosexual relationship this tragedy seems to be almost inevitable; and it is, of course, very rarely that the homosexual is fortunate enough to find a person of the opposite sex with whom it is possible to maintain an ideally sympathetic relation simultaneously with the physically based relationship with one of the same sex.)

It is obviously only once in a million times that a person such as Edith Ellis would have a husband with the wisdom, the knowledge of human nature, the power to master the ancient instinct of jealousy, which were necessary to enable him to see that her affection for "Lily," far from degrading any of the three, was necessary for the full realization of life for both him and Edith. To Lily herself it seems to have been of no permanent importance; but fortunately for Edith, Lily died before its unimportance could make itself unmistakably obvious, and the earthly love was succeeded by a spiritualistic relationship which might have dominated her life with disastrous results but for the calm wisdom and profound devotion of Ellis himself.

Ellis came in the long run to realize that "those subtle traits of an opposite sexual temperament" were "the roots not only of the disharmonies which tortured her, but of much of the beauty and strength of her character," and this seems to be a general truth, and to account for the intense devotion that not a few homosexuals have been able to inspire when they were fortunate enough to come into intimate contact with a very noble-charactered person of the other sex.

THE story of the marriage is so immensely the most important part of this autobiography that after the first reading it is all that remains in the mind. Practically nothing is told us of the several other intimate relationships with women, beyond the bare fact of their existence; they were evidently on so much lower a plane of emotion as to form so vital part of "My Life." Nor does much importance seem to be attached to even the most trying experiences of a long life devoted to authorship of a type commonly considered, when Ellis began his labors, as "obscene"; even the condemnation of "Sexual Inversion" in 1898 as an "obscene libel" seems to have disturbed Ellis himself hardly at all—as if he had had absolute foreknowledge that it was destined in due time (and long before his death) to be translated into "all the great living languages" and to change the moral concepts of the entire civilized world. The details of that affair are run through very briefly, though Ellis does note that even so great and liberal an editor as Massingham endorsed the court's decision. The book ends with Edith Ellis's death in 1916, although the author outlived her by nearly twenty-three years. This silence is partly due to the fact that the chief participants in Ellis's later activities are still alive and cannot be written about with complete frankness, but even more, I think, to the fact that in the truer sense his life too came to an end with hers. "We at least were alive. It can rarely, indeed, have happened before that a person of the same vibratory emotional sensitivity has been mated with a person of the same poignantly acute and manifoldly radiating energies."

The Low-Down on Soviet Russia

BY J. V. McAREE

STALIN'S SECRET SERVICE, by W. G. Krivitsky. Musson. \$3.50.

MOST of the material in this book has already appeared in the Saturday Evening Post and constitutes the most hotly discussed revelations to be published in an American periodical for a long time. Six months ago when a pact between Russia and Germany seemed hardly more likely than a pact between Germany and Britain today Krivitsky was predicting it. At that time the policy of the Communists was to establish the Popular Front, and combine temporarily with all "fellow travellers" in oppo-

sition to Fascism. Naturally they were furious when Krivitsky, speaking as the former chief of the Russian intelligence department in Europe declared that this was all shadow boxing, that Stalin and Hitler were really secret friends and that when the opportunity came the Russian would betray the democracies. Their spokesmen declared that Krivitsky was a fake, that he was never employed by Stalin, and that he was unknown in Russia. Investigation showed that as a matter of fact he had two names, and recent events have proved that he knew what he was talking about. So the honors are easily with Krivitsky, or Ginsberg, as he sometimes calls himself. Accepting the revelations at face value, we have here the real inside story of Stalin's conspiracy against the democracies, and especially against Great Britain, whose empire he regards as the chief enemy to the spread of his influence. But on one major point we hope Krivitsky is wrong. He represents Hitler as the dominating partner and says that ever since his rise to power Stalin has admired him and sought to become his ally. As matters stand today it looks as if not Hitler but Stalin carries the final authority, even if Stalin intellectually should be the feeble of the two. Trotsky, too, we remember, holds a low opinion of Stalin's abilities and ascribes his success to a combination of animal cunning and ruthlessness. In fairness, we must remember that Krivitsky proved right when so many were wrong. It is his con-



W. G. KRIVITSKY

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CHRISTMAS BOOKSHELF

Revolt in South Africa

BY MARGARET LAWRENCE

WATCH FOR THE DAWN, by Stuart Cloete. Collins. \$2.50.

CLOETE has a magnificent control of technique and a sombre philosophy. As well as an emotional courage which drives him and bends him. With a smaller command of technique his emotional power would lay him low. There are times when it almost does, and when to the reader of thin emotional response he is altogether too overwhelming. But his mastery is never lost. The story is always under management. This is true of "Watch for the Dawn" as it was true of "Turning Wheels." The same artist has worked at the human fabric and in the same manner in both stories. But it will likely not have the same result. The difference lies not within the material or the style of the composition, but rather in the removal of his readers through the influence of present history in the world from the zone of possible intellectual and emotional response to him.

"Turning Wheels" was not liked in South Africa. It was a virile story of the great trek of the settlers and the people look back upon that trek as their saga. Cloete, they said in criticism, laid irreverent hands upon the gods. Which he did. There were shattering and ugly human feelings and also failings among the people of the trek. And so strong was the resentment in South Africa about the portrayal of the sin in trekking history that the people there refused to see the magnificent power of the story, as a story.

To us who, of course, really cannot know—and therefore only guess—"Watch for the Dawn" seems to be an effort, maybe unconscious, to straighten this all out. It tells the story of a small Boer rebellion in the early nineteenth century and in it the people are as the people of any early times appear to be as we look back upon them fondly. They are real people who love their land and their children with conviction, and they are very noble folk who hate oppression. All the peculiar sins are

omitted, and just the natural human passions have a chance with them in the story.

This will make some of the readers say the book is a second presentation of the same story. In our time among our nervous people searching the authors for something to sustain them, that is a dangerous thing for an author to do unless the story he tells is so eternal a story it can live through more than one telling.

Cloete's philosophy comes out of the jungle. He sees mankind not much of an advance upon the creatures who all through the lower strata of life hunt one another. He accepts it as a law against which there is no counter-acting or controlling supernatural law. And the strongest emotion that the human being has or can have, according to this point of view, is the compelling ardor of race. So Cloete takes the race ardor, which is a continuation, if you follow his jungle law through consistently, of the creature kind of group division, and in "Watch for the Dawn" gives it glory and substance.

This is probably where his readers will be disappointed. He only faintly suggests at the ending that the dawn will not come until human beings rise out of their consciousness of race. The weight of the story and therefore its emotional impact upon readers falls upon the people in the throes of race ardor. Reading in the current press the ultimate outcome of such ardor it is not exactly a rest or a comfort to find it in fiction. And it seems a pity to waste a magnificent technique upon it. For it is an old sad story to us now.

Meet Kitty

BY MARIE CHRISTIE

KITTY FOYLE, by Christopher Morley. Lippincott. \$2.75.

GEORGE SAINTSBURY writing on the English Novel in 1892 might well have been startled had he thought to find his words applied to a stream-of-consciousness biography in 1939. Yet Christopher Morley, conforming to the Saintsbury rules, has attempted that very thing. Come, says Mr. Morley, I will show you the result of the workings of the heart and brain, of the body, soul and spirit of an actual or possible human being. I will show you Kitty Foyle, inside out, and call it a novel.

Granted that you can endure the dislocation of its form—which many readers I fear will not—the question of the value to the reader of Kitty's gift of her consciousness continues to obtrude. Is it tiresome to be constantly made aware that Kitty's story might just as well have been told by someone else, with less exhaustion all round? If too the secret places of a female's heart from childhood to womanhood are so explicable to a male novelist, is it not just possible they are routine?

Kitty is Irish-American, born on the wrong side of the tracks in Philadelphia, a city, you must know, which ties with Boston in in-breeding of family trees. Her education is provided by her father, one-time crack cricket coach to Philadelphia's blood teams, later a night watchman, and Myrtle, the cold "help," with some offside interference from the Middle West. Pop and Myrtle are two of Mr. Morley's triumphs. Kitty for all her quick wits and pungent tongue, I fear, will instantly be recognized by her contemporaries as another sentimental Morley heroine in disguise. Kitty can produce the highest motives for her actions, but she does desert when the battle gets too hot and looks hopeless. A young modern of Kitty's calibre in love would fight seven generations of every family in Philadelphia and go back for seventy times seven, take her lover as husband and make a man of him. Kitty, one feels, is not quite so true to herself as to her biographer.

In giving us the lowdown on Kitty, Mr. Morley, as you would expect, gives us a good deal of Morley. This naturally will greatly encourage Morley fans, and need not antagonize the black-hearted minority who are accustomed to find this writer's usual joy in sweet fantasy a bit more than they can take. For this is the forthright, often extraordinarily sagacious Morley, the one who knows the answer to some of the hardest questions, and does no posturing in speaking up.

It is pleasantly astonishing to find for example, that a man can quote this sort of thing from a woman's memory. . . "Nothing about Wyn ever pleased me more than his socks. He has a particularly attractive way of putting one leg over the other. Of course they're pretty long legs, but his foot always seems to hang down more gracefully than most men's. I don't know why, but that's usually the mark of a gentleman; their legs fold over more neatly, don't bulge and stick out." Or this. . . "When a woman gives up her conventions she's really handing you something, because she has only two or three and they're all tied up with her actual physical existence. Men have any number of conventions and they can spare as many as they happen to feel like doing without."

You've been among us taking notes, Mr. Morley.



STUART CLOETE

On Russia

(Continued from Page 13)

tention that communism was betrayed by Stalin who has no interest in it and used it merely to establish his personal power. So for what it is worth, Communists are entitled to believe that their political theories have never had a chance to prove themselves since the death of Lenin and that today Russia is no more Communist than Italy. On the vexed question whether Russia was ready to go to the help of Czechoslovakia the author insists that Stalin never had any intention of doing so, and that in recent years his European manoeuvres have been directed to the sole end of making a deal with Germany. The help given to the Spanish Loyalists was merely a bluff to make a Russian pact seem more valuable to Hitler. It might be thought that Krivitsky proves rather too much. The machinations with which he credits Stalin could never have been worked out by a man of mediocre intelligence. The possibility is, it seems to us, that Stalin's policy has been more opportunist than the book would lead one to suppose. He has made deals where he could with the sole end of his or Russia's advantage, and has repudiated them when the value was extracted or seen not to exist. Apart from the light it throws on Russian conspiracies in Europe and the destruction in Russia of every hand that might have been raised against Stalin, the story is a vivid one of intrigue and adventure, and seems destined for near the top of the best-seller class in the year's non-fiction. Finally we recall that when Krivitsky appeared before the Dies Committee in Washington he required an interpreter, so indifferent was his English. It rather surprises us that the book makes no acknowledgement of interpreter or "ghost." Mr. Krivitsky does not write English that well.

A New Country

(Continued from Page 13)

Whitechapel background. His astuteness might be defined as unscrupulous, but he is a typical portion of the portraiture. Young Richard Aberley is woven into the structure well, too, but his pitiful disappearance from the tale shows that mere romantic narrative must give way before the force of big and revealing vastness of the book. His sweet little romance with Marion Grafton one soon forgets in the onrush of mightier things and mightier persons. So it is with the Haskards and Lena, a strange child rescued from the Swazi Headman by Janse Grafton, and with Suzanna, burning patriot though she is, and many others who contribute to the general portraiture but never emerge into the clear, firm structure of "The Golden City."

And The Golden City? It is Johannesburg, of course, built because of the deep reef of gold on Witwatersrand and named for the three men whom Paul Kruger entrusted with its building. Other powerful figures are in the structure—Cecil Rhodes, Kruger himself who is described as the "old Buffalo bull lying down in the long grass," Burger, Joubert, Jameson and many others. There are events, multitudes of events,—the battle of Majuba Hill, the Jameson Raids, wars, battles, tragic visitations—the list is lengthy, far lengthier than this, but it never becomes confused in the grave and simple setting down of Mr. Young.

For all I have written, I have not, I fear, conveyed the vast scope of "The City of Gold." It is not merely a great book; it is a great recording of the making of a people. He has gathered the forces of the country together and woven them into the fine structure of a vigorous and satisfying narrative. It is a book that requires many readings; read it once for its romance, once for its character portrayals, read it for its history; then read it for the unity that the author has achieved.

But—why did the publisher so forget the book's readers that he neglected to include maps? It needs maps, simple ones, close to the text.

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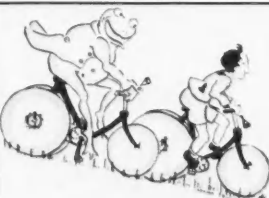
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MEN OF MUSIC: Their Lives, Times and Achievements, by Wallace Brockway and Herbert Weinstock. Musson. \$4.50.

DEEMS TAYLOR, in a brilliant introduction to this book of musical biographies, reminds us of a fact that music as a distinctive, creative art involving broad, structural dimensions, is the youngest of all, hardly more than four centuries old. Thousands of years previously, while sculpture, painting, literature and drama were on their way to maturity, music persisted in a state of arrested development, with no separate existence of its own. Consequently it is possible to cover, by suggestion at least, every phase of its aesthetic development; and to deal with major phases sparsely in a tome of 600 pages like "Men of Music."

Mr. Taylor also lays down an axiom: "The soundest way to write the history of an art is in terms of biography." Whether the axiom is incontrovertible, one will not pause to discuss, but it is assuredly the most interesting way. And that is what Messrs. Brockway and Weinstock have tried to do. The major part of their book consists of the lives (with fine portraits) of 21 composers from Bach to Stravinsky—composers so widely known that their music is heard constantly in the concert hall and on the air. In every case the wealth of material at the disposal of the biographers was immense; and their use of it shows a keen sense of selection and critical intelligence, backed by a good narrative style. Almost everything worth knowing about the 21 luminaries chosen to illustrate the history of music since it became a great creative art, is to be found in these pages.

To the writer the most important chapter is the preliminary one "There Were Great Men Before Bach", in which it is pointed out that the first composer, in the modern sense of the word, was John Dunstable, an Englishman who died in 1453. He had much to do with the

invention of counterpoint and was Chaucer's most gifted artistic contemporary. It is a defect of the chapter that the authors ignore the subsequent independent development of English music at the hands of William Byrd and other Tudor composers who came a century or more after Dunstable. But they do give a vivid picture of the life and work of such great and influential Europeans as Josquin des Pres, Palestrina, Vittoria and Orlando Lasso, the latter the composer of 2,000 works. In subsequent chapters is to be found a wealth of entertaining data about composers whose names through radio and recordings have become household words. I even learned something I was keen to know, about the first three symphonies of Tchaikovsky, now absolutely ignored. Deems Taylor admits that some readers will bitterly disagree with some of their critical judgments, but their estimates on the whole are well considered and just. As years go on they may find themselves altering their opinions, an inevitable experience with music critics.

Plainsman Welsh

BY FRANKLIN D. McDOWELL

THE LAST BUFFALO HUNTER, by Mary Weekes. Nelson. \$2.50.

IT MAY be said at the outset that Mrs. Weekes is to be commended upon the splendid work which she has produced. It is something more than a valuable historic document, for it could be used as an object lesson in simplicity, lucidity and a marshalling and presentation of facts in almost a faultless style. The story is the life of Norbert Welsh, who was born, in 1845, in a log house near St. Boniface, Man. Eighty-seven years later, completely blind, he was still living in the West, a patriarchal plainsman and trader who had helped to make history.

Adventure and misadventure followed the wanderings of Plainsman



MARY WEEKES, author of "The Last Buffalo Hunter".

Welsh as a trader, hunter, freighter and rancher during the stirring times which marked the transition of Western Canada from an unknown prairie waste to a vast grain empire. They are set down in simple sequence. There was no necessity to strive to create effects and Mrs. Weekes has wisely refrained from so doing. The incidents and episodes of themselves are adventure. With Trader Welsh the reader sees countless thousands of buffalo feeding on the prairies and he sees them ruthlessly slaughtered. He sees and hears Red River carts creaking over the trails, follows the fur brigades and sits in with them at the point of trade to see the Indians cheated at every turn. Trader Welsh is no Puritan, nor is he a hypocrite. In his story he spares neither himself nor his fellows. The background is replete with such historic personages as Louis Riel, his lieutenant Gabriel Dumont, Chiefs Poundmaker and Starblanket, General Middleton, Major Steele and other important figures of pioneer days.

Many delightful vignettes and pen portraits are to be found in Mrs. Weekes' 304 pages. They deal with the hunt, the trade, Indian and pioneer life, and warfare. One of the many may be condensed here. It deals with Welsh's meeting with Riel at a gathering of his followers.

I recognized Riel at once from his photograph. He began to walk back and forth in the house. He came to me. "Welsh," he said, "I want you to give me your name in full." I asked, "in full?" He said, "Yes."

I had just got a couple of letters from my wife and children. I pulled them out of my pocket, showed them to him and said, "There's my address in full."

He looked at the letters and said, "Welsh, they tell me that you are not a true half-breed."

"Whoever told you that," I said, "bring them before me, and I will settle with them." I meant Dumont and Trotter. They were displeased with me for not joining them.

Riel said, "Welsh, I'll give you just one week to pray and make up with your God."

"A whole week to live," I replied. "That's a lot of time."

There is much more—not only affecting Riel and his men but the entire background of the West. Such intimate, historic details make the work a valuable one not alone as an interesting chronicle of an era that is past but as source material for future use. It is to be hoped that "The Last Buffalo Hunter" will be found upon the shelf of every library throughout Canada.

BOOK OF THE WEEK

Europe in Canada

BY B. K. SANDWELL

CANADA, EUROPE AND HITLER, by Watson Kirkconnell. Oxford. \$1.50.

THE population of Canada consists of five millions of Anglo-Saxons, three and a half millions of Canadian French, and two and a half millions of other racial origins, mainly from European countries east of the Rhine. Dr. Watson Kirkconnell, who has almost miraculous gifts as a linguist coupled with a notable skill and discernment in literature, has long been the chief authority on the literary output of some dozen and more of the racial groups now largely represented in Canada; and the study of their literature has led him, as is not unnatural in these stormy days, to the study of their political affiliations and aspirations. This volume is an account of the repercussions among the New Canadians of the strife now tearing Europe apart, but in order to make the repercussions intelligible Dr. Kirkconnell has had to make a record of the history in Europe of the peoples from whom these New Canadians came, and this has led him to produce what I think is the best short history of recent international relations in Europe up to September 1939 that has yet appeared. Its brevity, which will commend it to many readers who have not time for a "three-decker" history, is its only serious defect.

Histories of Europe, however, are plentiful, and examinations of the attitudes of continental Europeans not very long domiciled in Canada were rare, not to say non-existent, before this volume appeared. It does not confine itself to the New Canadians, for one of its most important chapters is devoted to the relations between the Anglo-Saxons and the French, the two oldest elements of the population, and concludes with a sentence which strikes the keynote of the whole book: "It may in the end paradoxically prove true that Adolf Hitler, without intending any such consummation, has done more than any other force to make Canada a nation."

Dr. Kirkconnell is able also to find very striking signs of progress towards national unity in the relations of almost every one of the New Canadian racial groups with one-another and with the majority groups, as a result of the alignments developing since Herr Hitler made his incursion into Poland. The Communists are of course an exception; the Germans however are no exception, and the outbreak of the war seems to have revealed how unimportant, and how entirely dependent on money and inspiration from Berlin, were the pro-Nazi movements which were making so much noise in Winnipeg and Montreal. The prop-

aganda of the Deutsche Bund is dealt with at considerable length, and Dr. Kirkconnell is evidently not convinced that its membership was scrupulously confined to persons not naturalized into Canadian citizenship; that it had no right to admit Canadian citizens is amply shown by the terms of its Four Year Plan for Canada, which begins: "In accordance with the proclamation of our Leader, Adolf Hitler," and concludes: "In this spirit we greet all the members of the Bund with Heil Hitler!" He adds that "There was evidently a stark attempt to recruit and mobilize the Germans of Canada in the interests of Nazi penetration."

THE problem of the Ukrainians, who constitute the fourth largest national group in Canada, is exceptionally difficult and interesting, and Dr. Kirkconnell is able to shed a great deal of light upon it. "The rise and fall of the Ukrainian Republic (1917-20) had an electric effect on the Ukrainians in Canada, and a swarm of educated émigrés who came to the Dominion from Europe after the extinction of the Ukrainian state have astonishingly sharpened, intensified and mobilized the Ukrainian-Canadian nationalist consciousness. The only comparable movement was that of the Irish Fenians in the United States in the nineteenth century; but the Ukrainian-Canadians are far better organized, more vocal and more dynamic." The dominant motive with most of them is the desire for a free Ukrainian state, and all except the Communists have been bitterly disillusioned by the Russian occupation of Lvov; "word has already been received that large numbers of the Catholic clergy, including some visiting Canadian priests, well known in Winnipeg, have been shot by the Russians in Eastern Poland."

The last, and a very wise, chapter of the book is "A Policy for Canada," and calls for "resistance to this nihilistic movement" of Nazism as "a purpose common to thinking Canadians of all religious faiths and all racial origins." It warns against indiscriminate intolerance towards all Germans, as likely to be fatal to the very cause that the Allies are defending. But Canada will not be able to advocate a sane policy abroad unless she maintains one at home, and toleration and encouragement of the racial organizations of minority groups, "organizations of a non-political character that help the individual to cherish his cultural past," are essential. Canada, and the University of Manitoba in particular, are fortunate in having a man of Dr. Kirkconnell's talents and wisdom in their midst and working for their service.

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THE LONDON LETTER

No Tightening of Belts in Immediate Sight

BY P.O.D.

London, Nov. 6

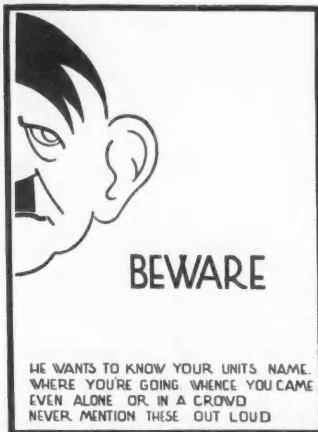
YESTERDAY was Guy Fawkes Day, but it was a sadly dimmed and diminished affair. No fire-works, no bonfires, and very few "guys"—in London, at any rate. Most of the little guys who trundle the "guys" about, and blackmail you for pennies for them, had gone out of the business, or were carrying it on under difficulties in remote rural areas.

Little does Hitler know the seeds of unappeasable hatred he has sown in many a youthful breast. But, I suppose, to a man who made such a good job of the Reichstag, poor old Guy Fawkes must look like the most hopeless of bunglers. Adolf probably wonders why anyone bothers to remember him at all.

Talking of bungling reminds me of the Food Control. The rationing problem has been, if not exactly bungled, at least not too cleverly handled. Only the other day Mr. Morrison got up in Parliament and told the country that everyone's ration of butter and bacon would be a quarter of a pound each—per week!

Now that is not a lot of butter and not a lot of bacon—except perhaps to someone like Mahatma Gandhi. But the country is in a mood to make sacrifices, so long as they are necessary sacrifices. And Mr. Morrison said that this rather Spartan rationing of these two commodities was necessary, because supplies were not coming in as regularly as they should, and because butter and bacon were two things that would not keep and so could not be stored up in large quantities.

Since then we have all had our ration books—dismal little volumes full of small grey coupons. We were told to register with our local dealers, and were warned that rationing would probably come into effect sometime



MOST FAMILIAR sign to British troops and airmen in France is this poster, printed in black on a yellow background. French troops are said to be practicing English by steady repetition of the admonitory verse.

near the end of this month. Later we learned that it probably wouldn't be till the middle of next month. Now we are told that it won't take place before January.

Heaven forbid that I should object to any postponement, however clumsily arrived at! Every additional week of plenty is a national boon. But why disturb the public mind with these warnings of impending restrictions before it is quite obvious that the warnings and the restrictions are necessary? Why also give to the population of Germany the encouragement of seeing that we, too, are obliged to tighten our belts—that for us, as well as for them, guns are, if not better, at least more vital than butter?

I know that it is easy to criticize, and I know that Mr. Morrison has on his hands an immense, complicated, and most formidable task. But it does seem to be a mistake to arouse public misgivings about the adequacy of our food supplies before it is perfectly clear that these supplies are not going to be entirely adequate. As for the postponement itself, however, it is pleasant to know that we are going to go on eatin' reg'lar for another little while—especially at Christmas time.

Goering's Butter

While on this soothing, this emollient, subject of butter, I see that the Ministry of Information has at last corrected a somewhat unfortunate blunder—or perhaps a fortunate blunder, if one is not too scrupulous. Too bad the mistake was made, but too bad also that it should have to be corrected, for it spoils an excellent story.

Several weeks ago it was announced that a firm of wool merchants in Bradford had been sending out weekly supplies of butter—in hat-boxes, of all things!—to a number of eminent Nazis, including both Goering and Goebbels. Before the war, of course, though the joke was none the worse for that. The fat Marshal assuring the German people that guns were better than butter, and the waspish Goebbels calling upon them to tighten their belts up to the last notch—and all the time they were both getting their weekly hat-box of England's best! No wonder everyone laughed and laughed!

It was certainly a good story—too good, in fact, for unfortunately it was not true. The butter was sent

out right enough, and in hat-boxes, it seems. But the Goering and the Goebbels on the list were not the dear fellows we all know. They were merely friends and clients of the Bradford firm, and were taking advantage of the connection to replenish their private larder, as a good many other Germans were doing at the time.

There was, of course, no real reason why the butter should not have been sent. But it is one thing to oblige ordinary German friends, and quite another to supply Goering and Goebbels—who, for that matter, can obviously get all the butter they want, whether ordinary people in Germany get any or not.

Apparently the poor wool merchants of Bradford were being given a distinctly woolly time of it; and now at last the Ministry of Information has done them the justice of admitting that it had jumped to hasty conclusions and made a mistake. Too bad! There aren't so many good jokes in this war that we can afford to lose any of them.

Huts for Statues

Eros has flitted away from his perch in Piccadilly Circus! He is an evicuee—though that seems a very coarse sort of word to apply to so romantic and graceful a figure. But this is a very coarse world just now, with little place for the tender emotions he typifies. What's the good of shooting arrows of love into the air, when the only reply may be a ton of high explosive dropped from the unrelenting sky? Besides, as London's most beautiful statue, there is every reason to safeguard him.

Another statue, even more romantic though not nearly so beautiful—certainly not to my untutored eye—is the King Charles I, at Charing Cross. As Lionel Johnson put it in that lovely poem of his:

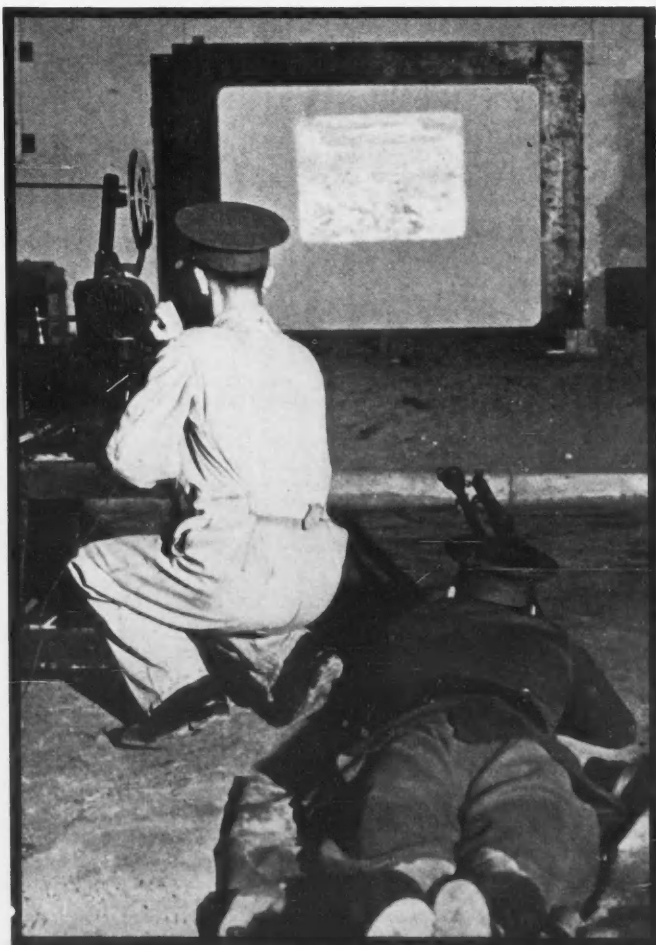
"Comely and calm, he rides
Hard by his own Whitehall."

Blushingly I confess that the good King Charles in this particular equestrian monument has always seemed to me a very dumpy little person, with extremely short legs, and his horse a strange, bulbous creature of a breed known only to heraldic sculptors. And yet there is an undeniable charm about it, an old-fashioned and melancholy dignity. But that, of course, may only be because we know that he is looking down Whitehall to that fatal window, out of which he stepped one day to lay his head upon the block. To come back to Johnson:

"Vanquished in life, his death
By beauty made amends."

Well, King Charles now inhabits a little hut filled with sandbags, that not even a Jacobite could view with any reverence. It had first been thought to remove him, but later it was decided to cover him up. He seems safe enough—from anything but a direct hit. And the chances of that are small.

Charles II, at the Royal Hospital in Chelsea, is another statue that is to be protected. So is the James II, at the Admiralty. Otherwise, it seems, the statues of London are to be left to take their chances. Some of them we should perhaps miss—but not many. In fact, some of them are so deplorable from every point of view except that of historic interest, that one could find it in one's heart to hope that the Nazi airmen will not miss them either. If they must hit something, it might as well be those.



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MUSICAL EVENTS

Dorothy Maynor, Legato Mistress

BY HECTOR CHARLESWORTH

THE musical sensation of this present year in America has been the discovery of a soprano with a voice of unique beauty in the person of Dorothy Maynor, a colored girl from Norfolk, Virginia. The discovery was made by Koussevitsky of the Boston Symphony Orchestra and her night of glory came on November 19, when she appeared at the Town Hall, New York, and scored a super-triumph. It is Toronto's good fortune to have heard her within eight days thereof, a boon for which we must thank the potent initiative of the Toronto Women's Musical Club, which weeks ago engaged her for its Red Cross concert at Massey Hall. It is to be hoped that it was but the first of many appearances in that historic auditorium.

Miss Maynor had the advantage of a complete musical education at the Hampton Institute, Virginia, under Nathaniel Dett, and toured Europe a few years ago with a choral group from that college. Latterly she has been in training at the Westminster Choir School, Princeton, N.J., and has worked intensively on languages and song interpretation. Her natural and developed musicianship is revealed in every phrase she sings, but this is merely a foundation.

Miss Maynor has 'arrived' at a time when there is a paucity of voices of tender, soft and beautiful quality. We have had brilliant coloraturas, and many gifted dramatic sopranos, but of late no voices of exquisite velvety quality which suggest the heart of a pansy, as Geraldine Farrar once said of the voice of Galli-Curci. Nothing so wooing and lovely as the tones of Miss Maynor has been heard since Elizabeth Rethberg's, during her first season or two fifteen years ago. It is not a powerful voice, but unique in warmth and gentleness. It is to be hoped that she will never become



CREATOR OF THE "MARJORIE" impersonations, which delighted countless thousands of the troops during the last war, Ross Hamilton will again don a new wardrobe as one of the singing principals of "Chin Up," the elaborate and entirely new war-time revue which comes to the Royal Alexandra Theatre, commencing Monday, December 11.

more of a prima donna than she is today, for it is not a voice that could stand much of the hard usage of opera.

Her greatest triumph was in the legato aria "O Sleep, Why Dost Thou Leave Me," from Handel's "Semele." It is not notably pathetic, but the liquid loveliness of her tones, and her ability to create a mood in all that she sings, touched the fount of tears. Another supreme triumph was the ineffable beauty of her singing of Schumann's "Du bist wie eine Blume." Feeling pervades her utterance and she excels in German lieder. Certain operatic arias are suited to her also, notably Charpentier's "Depuis le jour," grateful music for the lyric voice. A legato aria from Mozart's "Magic Flute" was also flawless in appeal.

Because of her race, comparisons with the contralto Marian Anderson are inevitable, but these are as futile as would be a comparison between Lily Pons and Kirsten Flagstad because both are white. Miss Maynor's temperament is optimistic in contrast to the habitual solemnity of Miss Anderson; and she sings "Spirituals" better than any singer one has heard, for the reason that without sacrifice of refinement she puts a joyous camp-meeting fervor into such numbers as "Every Time I Get the Feeling" and "I'm Seeking for a City." Her rendering of "Crucifixion" demonstrated her mastery of vocal coloration. The tragic earlier verses were sung with indescribable reverence and dignity, and then you felt the glow of joy coming into her tones like sunrise as she sang of the stone rolled away from the tomb. This is not art, it is genius.

Vancouver to the Fore

The program of the Toronto Symphony Orchestra last week at Massey Hall was a singularly buoyant and gracious one, with a Vancouver composer and a Vancouver violinist as chief factors. The most serious offering was Brahms' Violin Concerto in D major, composed in 1879, which does not at any point present the more austere aspects of the composer's temperament. The soloist was the brilliant young Hungarian violinist, Jean de Rimanczy, a pupil of Hubay who has spent most of his adult life in the Canadian West. The most distinguished violinist west of the great lakes, he was in this appearance making his debut in Eastern Canada, though his playing has been familiar to listeners on the national network since 1933. Rimanczy has a pure, light, silken tone, which never becomes unduly attenuated. His technical finesse is well-nigh flawless, and he is poetically expressive in every phrase. The Concerto was composed for Brahms' intimate friend, the great Hungarian virtuoso Joseph Joachim. Traditional in form it differs from many earlier violin concertos, in that the passages for the soloist are an integral part of the orchestral fabric. The whole work was permeated by glowing inner radiance as interpreted by Rimanczy and the orchestra under Sir Ernest Macmillan.

Two orchestral novelties were included. One was a "Miniature Symphony" by Allan Sly a young English composer who came to Canada in 1930 to join the staff of Trinity College School, Port Hope, and was later a resident of Toronto. He is now head of the Music Department of the historic William and Mary College, Williamsburg, Va., which goes back to 1693. This little opus was written several years ago and is restless in quality but vital and stimulating. It is the reverse of a padded work, because many of its details would be improved by fuller development; and was given a spirited rendering. The other novelty was "Cotillon" by the eminent Australian composer, Arthur Benjamin, who has lately taken up his residence in Vancouver. It is a development, with exquisite use of the resources of modern orchestra, of

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nine traditional tunes found in "The Dancing Master" published in 1719. Thus it has kinship with "The Beggar's Opera," the score of which was collated from similar sources. Mr. Benjamin's handling of his material is marked by the utmost taste, good humor and ingenuity. It is to be hoped that "Cotillon" will remain in the permanent repertoire of T.S.O., so delightfully did Sir Ernest interpret it. Mr. Benjamin made his first Canadian appearance as a conductor with the Vancouver Symphony Orchestra recently. He was substituting for Allard de Ridder, who was ill. Mr. Benjamin is a capital and expressive conductor with a beat that inspires confidence, and a fine gift in nuancing and accent. A portion of his concert was broadcast throughout Canada, and his renderings of Chabrier's "Espana" and Vaughan Williams' overture to "The Wasps" of Aristophanes were especially stimulating.

Five Digital Experts

The popularity of the Five Piano group was again demonstrated at its latest concert at Massey Hall. In the announcements the alphabet has been used to solve the problem of precedence, and the roster runs, Reginald Godden, Albert Guerrero, Scott Malcolm, Ernest Seitz and Reginald Stewart. They represent an aggregation of musicianship which would do credit to any country, and their co-operative efficiency and sympathy were delightfully manifest. Their mutual response was as fine as that of a first-rate string quartet, and their tone and expression were noble and beautiful.

In a program covering a wide field, the sensational feature was a suite of three Andalusian Dances, by the modern composer, Manuel Infante of Seville. Anything more truly national could not be imagined, and each episode is marked by symphonic magnificence in development. In rhythm, accent, and tonal beauty the rendering was superb. More familiar but less distinguished in quality was Borodin's "Polovizian Dances," also splendidly played. Debussy's "Petes" is a work which lends itself well to performance by such an ensemble and the nuancing and idiomatic phrasing of all participants proved captivating.

Tour de Force

THE platform personality of the great Wagnerian singer, Lauritz Melchior came as a surprise to the writer, who the other night at Eaton Auditorium saw him in ordinary evening dress for the first time. With his grey hair, rosy countenance and large physique he would be more easily mistaken for a United States Senator than for an operatic tenor. But his ease and magnetism, and the fervor with which he sang such a number as Richard Strauss's "Cacilie," made one forget his unromantic appearance. His robust voice is not a tenor in the ordinary sense of the word. He was originally a baritone, who learned to sing smoothly in Italian opera. In fact his early successes were in such arias as "Di Provenza" in Verdi's "Traviata." Then he discovered that his range and power fitted him to sing Wagnerian roles like Siegfried, ruinous to the normal lyric voice. So he became nominally a tenor and in this capacity he has been a star at the Metropolitan since 1925. When he sings numbers like Grieg's "Water-Lily" and "Ich Liebe Dich" and Swedish and Danish love songs, it really does not matter whether he is a baritone or a tenor; his skill in the use of mezza voce, his sincerity, and his phrasing are so gracious.

The Australian dramatic soprano, Marjorie Lawrence, substituted for Lotte Lehmann, as she did for Kirsten Flagstad on a previous visit. Her voice is neither sweet nor tender, but it is true and superb in volume. The intensity and spontaneity of her dramatic style were apparent in her rendering of the final passages in Schubert's "Erl King," but she is not as yet a finished recital artist. Her rendering of French lyrics was commonplace, but her real powers were revealed in Wagner. For enthusiastic Wagnerians her renderings with Melchior of duets from "Götterdämmerung," "Walküre" and "Tannhauser" were a delight, even though they lacked the requisite orchestral background. Both artists were superb in a declamatory sense. Under the circumstances their renderings were a greater tour de force than on the operatic stage, but on the concert platform the verbosity of Wagner is apt to become tedious.

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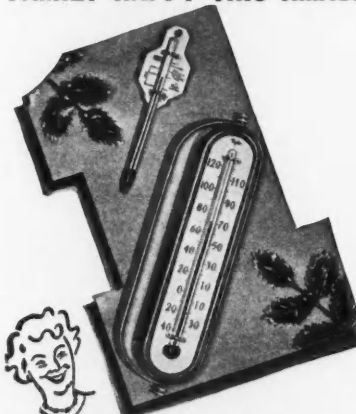
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THE FILM PARADE

And the Mothers-in-Arms Behind

BY MARY LOWREY ROSS

"BABES in Arms" is Mickey Rooney's picture, and nobody, either babe or grown-up, gets it away from him for more than three minutes at a time. Not content with being merely Mickey Rooney, he gives impersonations here of Clark Gable, Eddie Leonard, Lionel Barrymore and President Roosevelt. When other adolescent soloists come forward to perform it is Mickey who is most in evidence, leaning forward from the piano bench till he almost falls out of the frame of the screen, and beating fortissimo on the piano till the vanquished soloist is soon nothing more than a vocal accompaniment to Mickey.

If you aren't too much worn down by the star's deafening vitality you will probably enjoy his performance here. Certainly there is something about Master Rooney that has always placed him out of the familiar class of youthful performers. Maybe it's his trick of taking the direction completely out of the hands of the grown-ups. Or maybe it's just his garbled little Irish face, so plainly intended by nature to be funny that it can't be spoiled by all his attempts to make it funnier. You can't dismiss him either simply by saying the boy has talent. All the adolescents in "Babes in Arms" have talent—most of it of the kind that flowered at the age of five or six in the "Our Gang" comedies. Mickey's, however, has a wild spontaneity that doesn't seem to belong to any school of dramatics. You feel that if the boy next door had his high zest for living, which God forbid, he would behave approximately like Mickey.

Supporting Mickey Rooney in "Babes in Arms"—if anyone can ever be said to support Mickey—are Judy Garland, Betty Jaynes, Douglas MacPhail, June Preisser, and a children's orchestra. Judy Garland has a tearful loyal role, and her singing, as always, belongs precociously to the modern, or hog-calling, style of vocalism. (If Judy has any more roles in which she sings, through tears, to a male photograph, I am going to ask the office for a stand-in.) Betty Jaynes and Douglas MacPhail sing juvenile roles in impressive grown-up voices.

It happened that before I went to see "Babes in Arms" I had just finished reading an installment of Helen Hayes' biography, written by her mother, Catherine Hayes Brown. As a result I seemed to see behind every babe-in-arms on the screen, a mother-in-arms, storming the casting offices, fighting off the misgivings of relatives, standing in the wings and taking in her clammy hand the clammy hand of her child as she came off the stage, sending her off to her part with acute laryngitis because laryngitis would be less painful than the thought of an understudy playing her role. . . . Of course the indefatigable Mrs. Brown did get her daughter before the public, to the great enhancement of the American theatre. But even so her story presents an aspect of American motherhood to make one rather quail. Perhaps that is why one always has such a sense of uneasiness in the presence of a child-actor on the stage or screen. You feel always the relentless adult push behind the performer, the furious ambitions of parents, producers, and litigating aunts, the desperation of the script writers who have to make up lines right out of their heads, never, apparently, having heard a child or even an adolescent talk.

To be quite fair, "Babes in Arms" is no worse than most films having to do with adolescents. It's even a cut above the average, since it has an excellent production and at least two numbers from the original Rodgers and Hart score ("Babes in Arms" and "Where and When.") And of course it has Mickey Rooney, who was probably managing his own public life from the time he could scramble out of the tray of a vaudeville trunk.

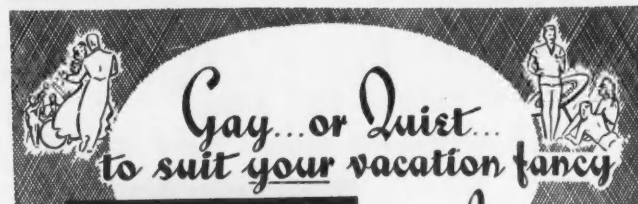
The Infallibles

One of the best current shorts, in case you haven't run across it yet, is "Information Please," screen version of the popular radio program. The cast—Franklin P. Adams, John



BEETHOVEN'S GREAT SYMPHONY No. 9 in D major, which incorporates the magnificent "Ode to Joy," will be presented at Massey Hall on Tuesday night, December 5, by the Toronto Symphony Orchestra and the Conservatory Choir of 200 voices, Sir Ernest MacMillan conducting. Among the outstanding soloists in this important musical event will be Amy Fleming, contralto, and William Morton, tenor. Both are widely known throughout Canada for their concert and recital work.

Kieran, Oscar Levant and Clifton Fadiman, are as genially at home before the camera as before the microphone. They've been given a costly-looking studio background, but the program on the screen is as pleasantly informal—and of course as brilliantly informative—as on the air. The answers, Mr. Fadiman continues to assure us, are strictly impromptu. The technique has been altered slightly to adapt the program to the eye as well as the ear. But the experts continue to be practically infallible on all questions of drama, poetry, fiction and history, which made it oddly gratifying when on their most recent program, all three failed to identify a mud-cat.



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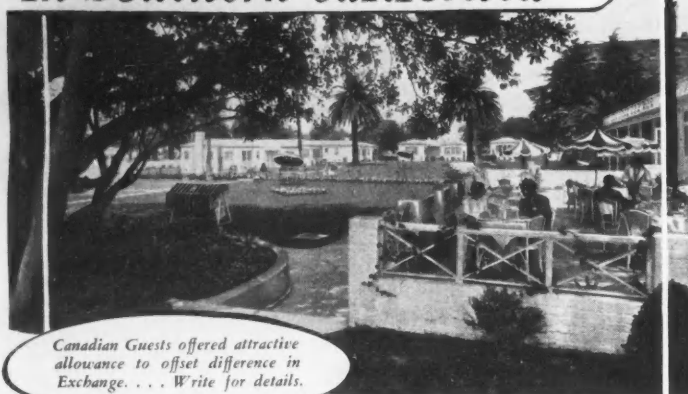
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THE FRONT PAGE

Unique in journalism is SATURDAY NIGHT'S "Front Page", where the events of the week are commented upon with gravity or gaiety as the case may be. The Editors reserve the right to choose which attitude.—The Publishers
SATURDAY NIGHT, The Canadian Weekly

PORTS OF CALL

St. Petersburg "Does Something" About Weather

BY JOHN LODWICK

MARK TWAIN's famous quip about everybody talking about the weather and nobody doing anything about it is exactly reversed at St. Petersburg, the Sunshine City on Florida's picturesque gulf coast. Every year a quarter of a million people do something about the weather by wintering in St. Petersburg, where there is very little disagreeable weather to grumble about.

Three hundred miles farther south than the southern tip of California, St. Petersburg has an average winter temperature within half a degree Fahrenheit of the average for June in New York or Chicago. This average, 68.5 degrees, is based on daily temperature readings over a period of 30 years, these records also showing that the average daily temperature range is less than 16 degrees.

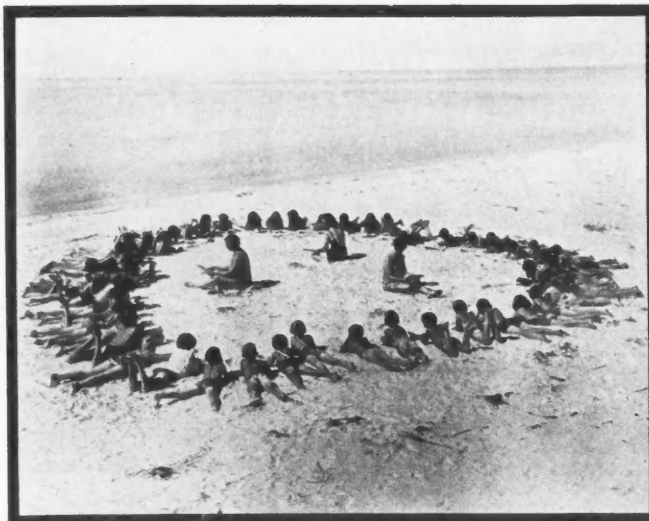
Harvard university meteorologists, after a country-wide survey, proclaimed St. Petersburg the sunniest city in America outside the arid regions of the southwest. The Evening Independent is the only newspaper in the world which can, and does, give away its editions on days when the sun fails to shine. The "Sunshine Offer," established in 1910, has resulted in less than five free issues a year.

Major Lew B. Brown, owner of the Independent leans over backwards in his adherence to the Sunshine Offer, insisting that the paper be free unless the sun shines from a clear sky. On cloudy days the newspaper sometimes receives scores of telephone calls from persons in various parts of the city who claim they have seen the sun and hope to save the paper expense of a free edition.

The Rain Behaves

In the distribution of its rainfall, St. Petersburg likewise is fortunate, two thirds of the rain falling in the summer when it is welcome and needed, and only one third during the winter.

Located on a sub peninsula, almost



NO HICKORY STICK is necessary for pupils in this rare public school at St. Petersburg where teachers and students attend classes in bathing suits. Attendance records are the highest in Florida.

—Photo by John Lodwick News Service.

ers from every state in the Union, Canada, and foreign countries.

Every year sees the winter influx of sun loving visitors increase, with all previous records being broken last season when 68,899 persons registered at the Chamber of Commerce. Travel experts estimate that one of every five arrivals registers.

Friendliness in a city is a quality of first importance to strangers, and St. Petersburg has done more than any other American resort to help its visitors become acquainted with each other, and to feel at home as long as their visit lasts. State tourist societies give every arrival the opportunity to meet persons from his own community. Sports and hobby clubs bring together all those with kindred interests. At the Chamber of Commerce an amazing system of tourist registrations enables newcomers, as soon as they arrive, to find friends



ST. PETERSBURG'S RECREATION PIER is daily visited by thousands of Winter vacationists to watch sailboats and yachts ply in Tampa Bay waters. The pleasure boat in the foreground is the well-known "Blitzen".

—Photo by John Lodwick News Service.

surrounded by the waters of Tampa bay and the Gulf of Mexico, St. Petersburg is constantly air-conditioned by breezes cleansed by large areas of water. The adjacency of the gulf and bay also have an equalizing effect on the temperature, keeping the city warmer in winter and cooler in summer than an inland city of the same latitude. Altogether, St. Petersburg has 33 miles of shore line which beautify its landscapes and afford boundless opportunity for fishing, boating and bathing.

No matter how experienced a traveler he may be, the visitor St. Petersburg at once realizes that he is in a city quite different in atmosphere and opportunity for pleasure, than any he has ever seen. From its earliest beginnings, half a century ago, St. Petersburg has been a community dedicated to a single purpose and ideal, the entertainment of sun-seek-

who have preceded them. The atmosphere of cordiality on the streets, in shops, hotels, restaurants, churches and clubs is one of the things a visitor is first to notice.

Finding Friends

Recreational facilities are broad in scope and easily available to everyone. No other city equals St. Petersburg in the diversity of its amusement possibilities. Besides its five tropical golf courses, there are facilities for tennis, sailing, power-boating, bathing, horseback-riding, shuffleboard, roque, lawn bowling, trap-shooting and many other diversions, embracing almost the entire category of amusement pursuits.

Among the tourist sports organizations are the Shuffleboard club with 6,000 playing members, the Lawn

Bowling club with members from every part of the United States and Canada; the Young Winter Visitors' Beach club with more than 1,000 members, the Chess and Checkers club, Tennis club, Anglers club, Sunshine Card club and many others.

In climate and location the Sunshine City is literally the fisherman's Eden, providing every variety of the sport, from casting for trout, to the pursuit of the mighty silver-scaled tarpon in the deep waters of the Gulf of Mexico.

Because of the metropolitan character of its resident and winter visitor population, St. Petersburg has the cultural, shopping, hotel, entertainment, and educational advantages of a city many times its size.

Big City Style

Many of the country's greatest singers, musicians, speakers, statesmen, sports figures, and other interesting personalities appear in the city during the winter months. Its schools meet the highest educational standards. Its shops have every luxury. Its churches of virtually every denomination and faith. Among its institutions are one of the nation's largest Federal Veterans' Administration hospitals, the Florida Military Academy, the State Masonic Home, the State Crippled Children's Hospital, A United States Coast Guard Air Base, headquarters of National Air Lines, a Junior College and winter training camps of the world champion New York Yankee and the St. Louis Cardinal baseball clubs. National and sectional tournaments in many sports are held annually in St. Petersburg.

Most characteristic of the city's attractions is the Million Dollar Recreation Pier, jutting a half-mile into Tampa Bay and providing magnificent accommodations for tourist attractions. The two-story casino on the pierhead, almost the size of a city block, houses a restaurant, convention and dance hall, an immense space for picnic and bridge parties and the studios of Radio Station WSUN.

Extending a mile along the waterfront, St. Petersburg's tropical parks are a panorama of beauty with their profuse vegetation, Roman and Greek statuary and fountains. Fronting on the bay are the deluxe seasonal hotels and the St. Petersburg Yacht club, one of the most luxurious in the country.

Strung along the western borders of the city are the glistening gulf keys with the finest bathing beaches in the world and one of the most picturesque motor drives in America.

TRAVELERS

Miss Kathleen McConnell and Miss Diana MacDougall, of Montreal, spent the last week-end with Mrs. Edward Ford Stevenson in New York.

Wing Commander and Mrs. Richard Collard, of Winnipeg, have arrived in Ottawa to spend the winter.

Mrs. Dudley Oliver, who spent the summer in England, has returned to Ottawa and is staying at the Chelsea Club.

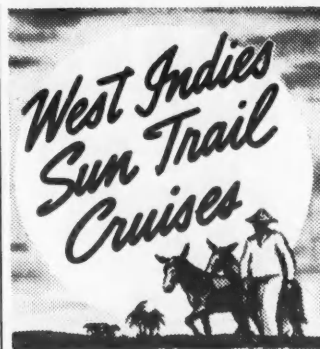
Lady Baillie, Mrs. Herbert Tilley, Mrs. W. P. Scott and Mrs. Bremner Green have returned to Toronto after spending a week at Limberlost Lodge.

Mr. and Mrs. Roger Maillet of "L'Aiche," Ile Perrot, have taken up their residence in Montreal at 1498 Chomedy Street, for the winter. Their daughter, Miss Andree Maillet, made her debut at St. Andrew's Ball on December 1.



SURFETTED PELICANS rest off the Recreation Pier at St. Petersburg where they are fed from the hands of Winter visitors.

—Photo by John Lodwick News Service.



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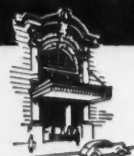
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CONCERNING FOOD

Only --- Shopping Days to Christmas

BY MURIEL BRIGHT

ONCE the threatened number of shopping days to Christmas gets below the twenties you are done—finished—out—you might as well get back into bed with your fine case of flu instead of going bargeing around the shops snuffling and coughing on your way. Of course your Christmas cards won't look right—they never do in November, but are often so much finer in feeling and form than most of those you get, that you feel pretty good about them by the time Christmas comes. It's no good worrying much about the English mails either. With all this zigging and zagging and dodging around, no one, least of all the Post Office, knows when anything will get across the Atlantic. All in all it's better to take a fatalistic view of Christmas, read the advertisements, do a little telephoning from home, keep calm and just concentrate on good meals to keep your strength up, and your temper good.

By this time of year when someone suggests oysters you no longer have to look alphabetical, we are safely into the middle of a fine bunch of R'd months, and the oysters are grand. Anyway if you can't spell remember that Mr. Ickes, the Secretary of the Interior to the South, recommended the eating of oysters all twelve months of the year, and is said to have tried them last summer on his own interior and survived handsomely. Many people think that doing anything to oysters on the half shell save eating



AN INTERESTING MARRIAGE which took place in Ottawa recently was that of Miss Cecil Bate and Flight-Lieutenant Patrick Baskerville. Mrs. Baskerville is the daughter of Mr. and Mrs. L. N. Bate of Ottawa, and Mr. Baskerville is the son of the late P. J. Baskerville of Ottawa, and Mrs. John Primrose of Staten Island, New York. —Copyright photo by Karsh.

5 slices of side bacon.
1 teaspoonful of Worcestershire Sauce.
2 tablespoons of butter.
1 teaspoonful of Roquefort cheese.
2 dozen oysters on the half shell.

Chop the pepper and the onion very finely together. Cut the bacon into twenty-four small squares. Melt the cheese and butter together with the Worcestershire Sauce. Put a piece of bacon on each oyster, then put on a little of the onion and pepper, and then drop off a spoon a drop or two of the cheese and butter. Put the oysters in their shells on the broiler rack under a medium heat and broil ten to fifteen minutes.

Do you ever wonder after you have paid too much for your calf's liver whether it is calf's or whether it really belonged to that bad tempered old bull who used to roar in a liverish way on the next farm? Whatever the liver originally belonged to this is a way of cooking which should make all tender.

Oven Cooked Liver

Take thin slices of liver and season them well and put them in a baking dish well dabbled with butter, add a tablespoonful of water, and cook in a slow oven for about an hour and a half, turning the liver every twenty minutes. If the meat shows signs of drying up add a very little more water and butter. This really works, and is said to be a Hollywood recipe for those of you who are interested in even the culinary doings of the stars.

If you have one of those beautiful fans in your kitchen which really works and wafts the smells straight over to the neighbors and not to your own living room you will probably already be onion soup addicts. There isn't anything better for the start of supper on a cold Sunday night.

Onion Soup

4 onions.
4 tablespoons of butter.
1 pint of milk.
Yolks of 3 eggs.
1 can of consommé.

Slices of crustless bread.
½ pound of grated cheese.
Mace, cayenne pepper, and a small bay leaf.

Cook the sliced onions in the butter, but not until they are brown. Then pour on the pint of milk and the consommé. Add slices of bread, the cheese, a pinch of mace, cayenne and the bay leaf. Bring the mixture to the boil and cook slowly for three quarters of an hour. Beat the yolks of the three eggs into a cup of milk and add to the soup stirring gently until it is almost boiling. Strain and serve with more grated cheese to sprinkle on the top.

If you are an ardent reader of cook books bortsch is a thing which crops up again and again. If you haven't ever made it you should just for the experience, and if you don't like it, well you don't ever have to do it again.

Bortsch

4 beets.
4 tablespoons of butter.
1 can of consommé.
1 quart of vegetable stock.
4 tablespoons of sour beetroot juice.
4 tablespoons of sour cream.

Scrape the beets and chop them up finely, and cook them in the butter for from ten to fifteen minutes, then add a cup of mixed consommé and vegetable stock. Continue to simmer, and as the liquid is absorbed add more stock until the beets are tender. Finally add the rest of the stock and cook gently for three quarters of an hour. You get the sour beetroot juice by slicing cooked beets and pouring on vinegar and letting them stand in it. Add four tablespoonfuls of the liquid, season well to taste, and just before serving add the four tablespoons of sour cream, which will float on the top of the soup.

Warmed by good soup you should be able to face the Christmas season with a clear eye and a light step. You ought to be able to—but we'll be seeing each other half fainting in the crowds. Good Hunting!

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EATERS DIGEST

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It's great fun to get ready and more fun to eat a lip-smacking combine starring a big tin of Heinz baked beans in tomato sauce. Six slices bread toasted. Six slices of tomato (thick). One dozen slices bacon. Beans top toast. Tomato tops Beans. Bacon criss-cross tops tomato and the whole thing is set under the broiler to sizzle and brown. Set 'round with Heinz crisp fresh cucumber pickle and bring on your gang!

PARIS IN SPRINGTIME

A purple after-glow above the Seine—Madame and Monsieur partake of cream of almond soup. You can easily re-create this delicate Parisienne by adding to a tin of Heinz cream of mushroom soup a ten-cent package of almonds ground fine. A dish for epicures!

ZIPPÉE

Everybody welcome! No trouble at all to provide canapés for the crowd when it's just a cupful of Heinz India relish well drained, a chopped green pepper, a little mayonnaise—on slices of toast. And so to eat!

At sixes and sevens! There's no need to get fussed if a supper-hungry crowd appears on Saturday night. Saturday is bean-night all over the land and Heinz bakes beans—mealy, nut-brown, munchy beans—as you desire them. They come to you in shining tins—all ready to heat and serve.

Here's a speedy way to triumph. Heap salad in your largest bowl. Then heat up a couple of large size tins of Heinz oven-baked beans.

To please the taste of bean-eaters everywhere Heinz bakes beans four ways. Choose (a) beans Boston-style with chunks of pork and a liberal benediction of molasses; (b) tomato-sauced baked beans with pork; (c) beans minus pork, vegetarian, but grand and saucy; (d) Heinz oven-baked red kidney beans.

All four kinds are baked as only Heinz knows how to bake them. All are choice, selected beans. Get the weekly bean-feast habit. Saturday's children aren't born to toil—any more.



A SMALL BEAVER COLLAR is tied with a coquettish blue grosgrain ribbon bow at one side. Pockets are placed low to suggest the lengthening of the waistline, and the skirt of this brown wool coat by Lucile Mangin is closed by a zipper. —Photograph by Doreyne, Paris.

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WORLD OF WOMEN

For Santa to Bring to the Very Young

BY BERNICE COFFEY

WE SALLIED into the stores practically on the coat-tails of Santa Claus in order to get in on the ground floor while Christmas stocks were new and fresh. This week we—and if we have our way—you, are going to concentrate on gifts for the young. In coming issues we will proceed to pour out our soul on the subject of gifts for men, women and what is called with charming generality, the house.

All these are things we have viewed with our own blue eyes in the shops. We'll give approximate prices and if you want to know where to buy them send a postcard. We will send the required information on another postcard since there's nothing small about us. Don't ask us to do your shopping—we have our own troubles; but we will be glad—nay, happy as a lark—to tell you where the stuff can be bought. However since many of the things mentioned are of one-of-a-kind exclusiveness we cannot guarantee that they won't have disappeared by the time you get around to them.

The telephone holds few wonders

for a generation born into a world filled with mechanical marvels, but a private telephone system of one's own is something else again. With a feeling of kinship for Alexander Graham Bell, we had a chummy conversation about nothing over one of the sets with the man demonstrating them. The thing works so clearly many adults are putting it to practical use as a means of inter-household communication. We don't need to dilate on its uses when one of the younger fry is isolated in his or her room with a cold or a rash that might be measles. The dreariest period of isolation is brightened when a fellow can talk at will with other members of the family circle.

A button on the phone rings a call bell on the other end of the line and it is all operated on flashlight batteries—two of them to each phone. The batteries are cheap and easily replaceable, and we were assured, last surprisingly long. The whole business comes in a set priced at \$3.95 and includes two cradle-type phones, batteries for operation and one hundred feet of wire. By stepping up the power with two more batteries to each phone another hundred feet of wire can be added to the distance between receivers.

Music in the Air

So new are the following we had to go behind the scenes into the stockroom to see them as they were taken out of their packing cases. Just listen.

To be used for toy storage, a gaily painted box of light sycamore on chubby red wheels with a heavy white rope so it can be pulled from here to there. There is a hinged top and all sorts of room for one's cherished toys. In the same group is the most appealing doll's wooden cradle, beautifully and sturdily made, with a hood painted in the bright Swedish style and a mattress covered in giddy red calico. The pampered doll who eventually rests in it will close her china eyes to the sound of a lullaby from a music box concealed somewhere beneath the cradle. . . . Then there's a musical chair for a very good little girl. Of polished sycamore made with handsome simplicity, it has a cushioned seat of the same bright red calico as that of the cradle mattress. Everytime the chair is sat on a hidden music box plays its prettily tinkling tune. . . . A toy so de luxe we suspect

it will put in many an appearance at parties given by the parents of its owner, is the painted wooden hand-organ. It has a heavy ribbon shoulder strap and a floor rest painted in bright candy-cane colors, and when its handle is turned dispenses an assortment of the usual hand-organ melodies. . . . Chubby wooden sailors in white painted suits and rosy cheeks form a set of decorative ninepins. As a gesture toward the preservation of the household quiet, balls used to bowl them over are made of solid rubber instead of wood.

Baby Bunting

Doting aunts and godparents of the very, very young have been known to grow quite weak at their first view of some extremely super-super Baby Buntings specially made in England where they seem to have an unrivaled way with such things. Perhaps we had better explain Baby Buntings are those all-over envelope affairs into which infants of tender age are popped before being taken outdoors for an airing. The B.B.'s of which we speak have a squared-off end so that the tot can kick its feet about freely, and a most fetching attached hood with a drawstring. They are made of English velour with fronts of clipped lamb dyed to match the velour in such divine bon bon shades as snow white, frail pink or heavenly blue. A zipper of matching color fastens the whole down the front. Getting down to practical things, difficult at such moments, the price mark says \$14.95.

Calling All Ships

Dots and dashes and lots of flashes to Mr. and Mrs. America and all the ships at sea! It does not require any great stretch of imagination for a chap to believe he is the radio officer of a besieged vessel when he actually can send out messages in International Code over his own telegraph key. For this romantic purpose there is a complete set available with all the makings to be had at the lowly cost of \$2.00. It includes two telegraph keys, each with a small plaque showing the dots and dashes that make up the International Code; the necessary batteries and a hundred feet of wire. By means of a small dial the sounder keys can be switched at will to the clatter of the telegraph, the high beep-beep-beep of radio or a flashing light signal through a small glass bulb.

DOES YOUR SKIN SEEM

"Acid"?



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You may know from experience, as countless people do, how Milk of Magnesia, taken internally, relieves an excess acid condition of the stomach. In the very same way, these unique Milk of Magnesia creams act externally on the excess acid accumulations on the skin, and help to overcome unsightly faults and to make your skin lovelier.



DOES your skin seem "acid"? Does it look old and "thick"? Has it lost its fresh tone, its smooth firm texture? Do such blemishes as enlarged pores, oily shine, blackheads, scaly roughness worry you? Then try the beauty-giving action of these new-type Milk of Magnesia creams on your skin!

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skin—smoothing away roughness and overcoming oiliness, so that powder and rouge go on more evenly and adhere for hours without need of touching up!

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THE THEATRE

Not More Than Once in Years

BY LUCY VAN GOGH

THERE IS currently proceeding at the Royal Alexandra Theatre this week an event such as has not been seen more than once during the past generation. A new play of unquestionable greatness, alike in respect of its profound poetic insight and its mastery of technical stagecraft, is being presented by a company thoroughly trained in all the requirements of vigorous character acting, and by a star who in this performance has established himself in the very foremost rank of the English-speaking stage.

Even in Toronto one must be forgiven for speaking of Mr. Robert Sherwood's "Abe Lincoln in Illinois" before proceeding to discuss the greatest actor that Canada has yet produced. Mr. Sherwood's plays have always had what those of his contemporaries have lacked, a rich, full-blooded gusto, a liking for the kind of thing which the theatre can do better than any other medium, and of which most theatrical writers of the last forty years have seemed ashamed. He is not afraid of using what the critics of a generation ago nick-named "hokum," and because he is not afraid of it, it ceases to be hokum when he uses it. Because of this mastery of the stage's most vigorous artifices, and because of another mastery which Mr. Sherwood has only just acquired to perfection in this latest play, the mastery of genuine poetical diction, "Abe Lincoln in Illinois" is more strongly suggestive of the work of the great Elizabethan dramatists than anything that this generation has seen. The suggestion is strengthened by the fact that the women characters occupy but a small part of the action, and are depicted in such a manner that they could quite conceivably be played by intelligent boys.

Like the chronicle plays of the Elizabethans, the plot has practically no structure in the sense in which we used to talk about a "well made play," but in another sense its structure is perfect. It is the picture of a man of the highest political genius—an artist in statecraft of the democratic kind—who is always aware of the duty which his genius has laid upon him, who instinctively struggles towards its fulfilment even when refusing to accept the doom which it involves, and who in the seventh of the twelve scenes is "converted" and takes up the cross of his work for the salvation of his country, and from that moment never again looks back

to the life of quietude, independence and safety which might have been his. With extraordinary dexterity, the playwright has made of the ambitious Mary Todd the symbol of Lincoln's self-abnegation. Lincoln knows that marriage with her will doom him to a public life for the rest of his days, and the prospect is so bitter to him that on the day set for their wedding he fails to turn up; but his first act after his conversion is to return to her and renew his proposal. Mr. Sherwood's artistic judgment in stopping his play with Lincoln's departure from Springfield to assume the Presidency, thus merely suggesting rather than stating the doom to which he goes, is unimpeachable. Once again we feel that we are in the presence of a playwright who knows and loves the theatre as a vehicle for poetical ideas in the manner in which the great Elizabethans knew, loved and used it.

The saying that genius has an infinite capacity for taking pains has never had better exemplification than in the Massey family of Ontario. Of happy-go-lucky brilliance they have little, but of iron determination, unflagging industry and the intelligence to direct that industry straight to the desired end, they have enough and to spare. Mr. Raymond Massey has made himself into Abraham Lincoln by sheer, unremitting hard work, ranging over many years. He is on the stage when the curtain first goes up, a gangling youth in his early twenties, with an incredibly perfect backwoods drawl; and nothing less than twenty years of the hardest kind of work could have taught him how to achieve the impression which we get in as many seconds.

It is no wonder that after the first five minutes of the first night of this play in New York nothing was ever heard again of the discussion as to whether the part should not have been played by an American born. The search for a possible player was slightly limited by physical factors; the actor must obviously be tall and gaunt and hollow-faced. Within the range thus limited, it is impossible to think of anybody who could have come within a hundred miles of doing what Mr. Massey does. It is not merely that he looks and moves like the physical Lincoln; he actually conveys the impression of genius, of the impress of destiny, underlying even the most awkward manifestations of his youth. Part, of course, of this is due to Mr. Sherwood's uncanny

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skill in writing, aided by a liberal use of actual recorded utterances. But it is Mr. Massey and not Mr. Sherwood who must do the fire in the eye, the exquisite sweetness of the utterance, the dignity behind the gaucherie of every movement, the greatness of heart beneath the roughness of manner. All this, when read in cold black-

and-white print, is going to sound absurdly lyrical, about a mere theatrical performance. But I am of those who believe that the voice of God may be heard in a theatrical performance as well as in a sermon; and certainly if the voice of God has ever been heard in a theatre in Canada, it is being heard at the Royal Alexandra this week.

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E. Pepper Cayen, London 1796—\$55.

F. One of the set of 3 Georgian Salts—\$90 the set.

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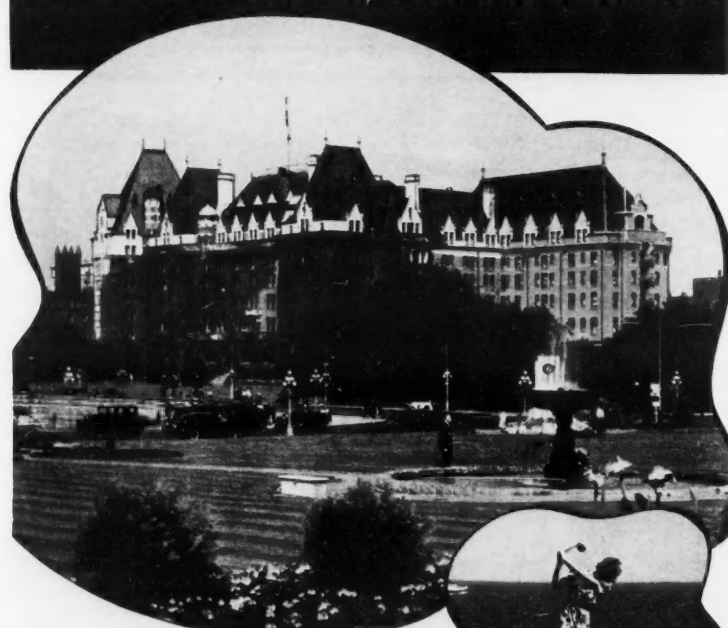
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THOSE PRESENT

BY BERNICE COFFEY

ONE of the outstanding social functions of the season, and one to which His Honor the Lieut.-Governor and Mrs. E. L. Patenaude extended their patronage was the Military Ball which was given by the officers of the Garrison at the Chateau Frontenac, Quebec, for the benefit of the Canadian Red Cross. Over seven hundred guests were present including many from out-of-town.

Potted plants and ferns banked the stage and screened the platform where the orchestra played for dancing and the dances were announced in traditional fashion by bugle calls. Palms and ferns were also used to carry out the decorations in the different lounges and at the entrance to the ballroom where the guests were received by Brigadier-General T. L. Tremblay, C.M.G., D.S.O., Inspector of Forces in Eastern Canada, and Mrs. Tremblay; Brigadier E. J. Renaud, O.B.E., District Officer Commanding Military District No. 5, and Mrs. Renaud; Capt. R. L. Jermain, Naval Control Service Officer of the Port of Quebec, and Colonel C. W. Wiggs, V.D., Officer Commanding the 15th Infantry Brigade, and Mrs. Wiggs. Mrs. Tremblay wore a French model of black tulle with silver slippers. Mrs. Renaud was in black Chantilly lace, the skirt ending in a short train, and Mrs. Wiggs wore a frock of black taffeta with trimmings of silver lame.

The committee in charge of the arrangements had for chairman, Colonel C. W. Wiggs, who was assisted by the following officers: Lieut.-Col. Jean Chaloult, Lieut.-Col. D. S. MacAulay, Lieut.-Col. A. H. C. Smith, Lieut.-Col. J. S. O'Meara, Lieut.-Col. Henri Gagnon, Lieut.-Col. Joseph Matte, Lieut.-Commander K. Johnston, Major Laflamme, Major C. Allyn, Major Julien Chouinard, Major J. N. E. Grenier, Major Paul Mathieu, Major Baribeau, Major F. Faber, Capt. West Murray, Capt. Fernand Trudeau and Lieut. J. Turcot.

Mr. King Entertains

THE Right Hon. W. L. Mackenzie King, Prime Minister, was host at a luncheon at Laurier House in honor of the Hon. A. Godbout, Premier of Quebec, Hon. T. D. Bouchard, Hon. Arthur Mathewson, and the Hon. Edgar Rochette, who were in town for the day. The other guests were Hon. Ernest Lapointe, the Hon. C. G. Power, and the Hon. J. E. Michaud.

Highlanders' Ball

His Honor the Lieutenant-Governor and Mrs. Albert Matthews were guests at the 48th Highlanders Ball, a gala event of Friday, December 1, at the Royal York Hotel, and were received by Honorary Lt.-Col. J. F. Michie, V.D., Miss Sophie Michie, Lt.-Col. John H. Chipman, M.C.V.D., and Mrs. Chipman; Major E. W. Haldenby, M.C.V.D., and Mrs. Haldenby. Pipe bands in full dress played for the Scottish dances, and the ballrooms were gaily decorated. Among those who arranged parties for the dance were Lieut.-Col. Duncan Donald, Major J. A. McFarlane, Capt. G. C. Hendrie, Capt. A. F. Macpherson, Mr. Ross Wilson, Mr. Hector Mitchell, Mr. Phillip Seagram, Major A. J. Sinclair and Mr. Donald Carlisle.

May Court

On Friday, December 15, the May Court Club of Ottawa is giving its Christmas Ball and Cabaret at the Chateau Laurier under the distinguished patronage and in the immediate presence of Their Excellencies the Governor General and the Lady Tweedsmuir. The May Court Club, which corresponds to the Junior League in other cities, was founded in 1898 by Lady Aberdeen and the

Announcements

MARRIAGES

Mr. and Mrs. William Bell Plaunt of Sudbury, announce the marriage of their daughter, Marian Isabel, to Dr. Wilbert Guy Mahaffy, son of the late Mr. and Mrs. John Mahaffy of Parry Sound. The wedding is to take place December 2nd.

SATURDAY NIGHT

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BERNARD K. SANDWELL, Editor
N. McHARDY, Advertising Manager

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THE RT. HON. ALFRED DUFF COOPER, D.S.O., former First Lord of the British Admiralty, who will speak in the Eaton Auditorium on Thursday evening, December 7. This will be one of the Toronto Town Hall Series events. Mr. Duff Cooper, one of the most distinguished members of Great Britain's group of younger statesmen, is seen here with his wife, Lady Diana Cooper.

Ball and Cabaret will be a means of raising funds for the extensive Christmas cheer work carried on by the club.

This year the Cabaret is striking a seasonal note and will have as its theme the well-known Christmas poem, "Twas The Night Before Christmas," Dorothy White, who produced "French Without Tears," the play which received the highest award in the 1939 Dominion Drama Festival, is staging the floor show, with Miss Jane Toller as convener. The dances are arranged and directed by the Sinclair School of Dancing which has cooperated with the May Court Club in other years.

Those taking part in the various numbers are: Marion Monk, June Dent, Helen Burns, June White, Jean Murphy, Pamela Erwin, Joan Elkins, Betty Hooper, Elizabeth MacMillan, Dorothy Macpherson, Jane Toller, Helen Gullen, Miriam Cruikshank, Jean Castonguay, Winsome Hooper, Mary Gray, Jean Paul, Paul Pelletier, Herbert Fripp.

Mrs. Douglas Blair will be in charge of the Games Room where a great variety of entertainment will be on hand, including the ever popular "Champagne Fish Pond." Mrs. Eric Burns is looking after the decorations and the tables will be unusually attractive this year.

Mrs. Bruce Davis is general convener of the Ball, while others on the committee are: Mrs. Perley-Robertson, Miss Ethel Beament, advisory; Mrs. Douglas Blair, games; Mrs. Eric Burns, decorations; Mrs. P. J. Coffey, publicity.

Warden Honored

More than seven hundred guests attended the banquet tendered by the members of the York County Council in honor of their Warden, Mr. Gordon Harris, on Thursday evening, November 23, in the Crystal Ballroom of the King Edward Hotel, Toronto. Prior to the banquet a reception was held in honor of Warden Harris and his mother. Among the guests were Lieut.-Colonel George Drew and Mrs. Drew, Sir William Mulock, His Honor Judge O'Connell, Brigadier Alexander and Mrs. Alexander, Lieut.-Colonel A. E. Nash and Mrs. Nash, Lieut.-Colonel R. C. Merrick and Mrs. Merrick, the Mayor of Toronto and Mrs. Ralph Day, Cabinet Ministers and their wives, and members of Parliament representing the Ontario and Federal Governments, and many others.

Handicrafts Guild

The Canadian Handicrafts Guild will hold a pre-Christmas exhibition and sale at the Heliconian Club, Toronto, opening on Friday evening, December 8 at 8.30 and continuing from 10 a.m. to 10 p.m. on Saturday, December 9. Interesting examples of both native and new-Canadian handicrafts will be on sale, and there will be a special exhibit by some notable Toronto craftsmen.

Theatre Night

His Honor the Lieutenant-Governor of Ontario and Mrs. Albert Matthews were present at the Royal Alexandra Theatre for the Alumni Federation of the University of Toronto theatre night when the play, "Abe Lincoln in Illinois," starring Raymond Massey, drew a large and appreciative audience. His Honor and Mrs. Matthews were accompanied by Mr. and Mrs. C. P. Fell, Mrs. Arthur Stewart of Rochester, N.Y., and Mrs. George Pangman. Captain Pangman was in attendance.

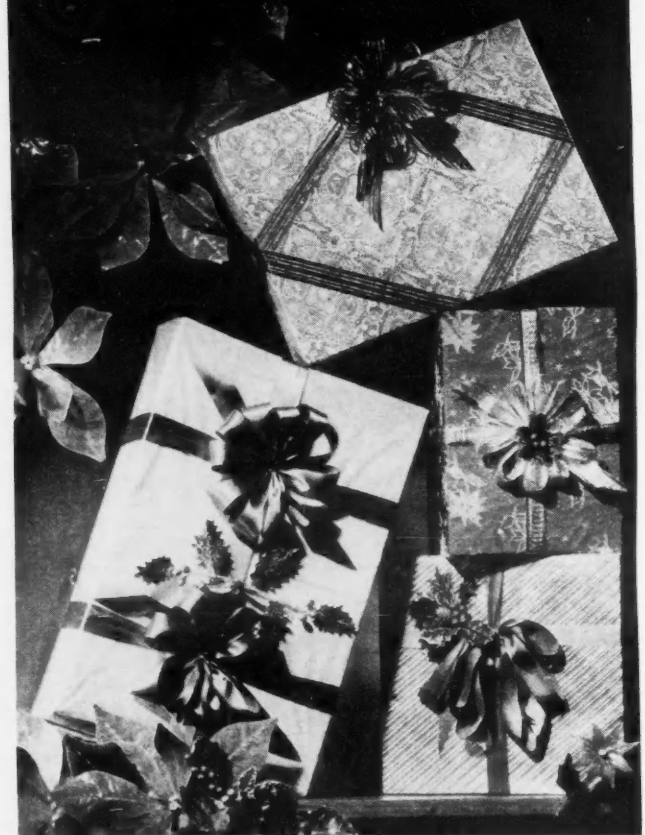
After the performance His Honor and Mrs. Matthews gave a most enjoyable reception in their suite, Queen's Park, in honor of Mr. and Mrs. Massey. Guests included members of the executive and board of directors of the Alumni Federation, representatives of the University of Toronto, the Syndics of Hart House, the Hart House Quartet, the executives of the Arts and Letters Club and Women's Musical Club, and the president of the American Women's Club.

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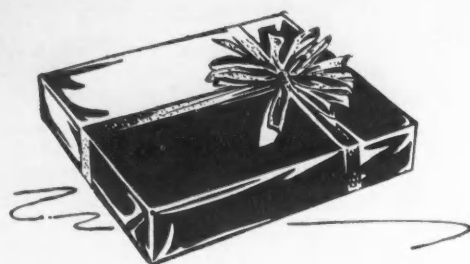
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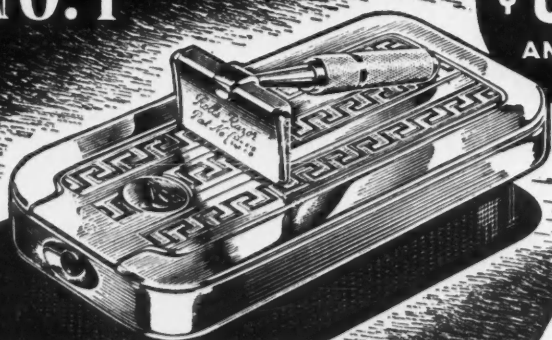
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So, if you've a father, husband, son or boy-friend you want to make happy, give them Rolls Razors this Christmas.

THE BACK PAGE

Mr. Beetle's Courtship

BY M. B. EVISON

STOREKEEPERS are usually a very expansive race of men. Situated at the fountain head of human affairs they continually warm their hearts and tongues at other people's hearthstones.

Mr. Beetle who kept the only confectionery shop in our town was an exception, being an incommunicative soul. He had never been known to waste a word in idle comment, and any attempt to engage him in one of those conversations so dear to the heart of every small town, was rejected by an absent-minded stare and a faint grunt.

An important order such as a wedding cake would perhaps stir him to the extent of a sentence or two; usually relative to the expense of making wedding cake. Anything as ordinary as a dozen cream buns was arranged to his complete satisfaction by putting them in a cardboard box and placing the money in a drawer under the counter.

Ill-disposed people said he had a

herself no gentle epitome of womanhood. Indeed, I should say I'd never seen a more determined woman until I met the Widow. Dressed in black and carrying a knitting bag, she responded to all introductions with a curt nod and a handshake reminiscent of the *Murdstones*. During supper she aired her views which were pro-Christian and anti-social, until it was clear that whoever had made her a Widow had gone through much to obtain his release—or so my Father said afterwards.

I first saw her in Mr. Beetle's store when shopping for my Mother. She was standing rigidly at attention inspecting his special fruit loaf, while he, absorbing her in a mild stare, slowly rubbed his stomach.

I had never seen him do that before—I took it to mean he was agitated. Some might have thought him a martyr to indigestion.

"How-do-you-do, Boy," said the Widow. I raised my cap politely. Turning to Mr. Beetle she said "I hear

Song For a Canadian Art Critic

MR. POOTLE shows a weakness for a sentimental scene. His skies are oh! so blue and pink, his landscapes oh! so green. His portrait of His Worship makes him look like Robin Hood. Which the voters know he isn't. But his totem poles are good.

The world as it appears throughout the works of Mrs. Bott May be the world she lives in, but one fervently hopes not. Her heads are made of apples and her apples made of wood. And her wood is made of porridge. But her totem poles are good.

Mr. Snodgrass sees creation as a lump of slimy grey. His studies of the human face are studies in decay. He looks upon a sinner as a morbid doctor would. The man's a hypochondriac. His totem poles are good.

How much better, wiser, richer all Canadians would be if they left off painting common things that anyone can see And confined themselves to totems, for it must be understood That the totem pole in art is automatically good.

DAVID BROCK.

guilty conscience. My Mother, who was of a tender disposition, called him peculiar; and my Father had only admiration for "a wise man."

No one knew his politics. Never having been seen making a purchase in other stores, people imagined him subsisting solely on eclairs. Certainly he wasn't thin. On holidays he simply disappeared, and he never received any letters. Miss Simpson who worked in our local post-office vouched for that.

MR. BEETLE had lived in this fashion for a number of years when the Widow put in her appearance. She moved into the old Elm house around the corner from the bank. We had our first glimpse of her on moving day, becoming acquainted at a church social.

The Widow was personally sponsored by the rector's wife, who was

you are a misanthrope and an unbeliever; how you expect to prosper in your business I don't know. I'll have one of your loaves."

Mr. Beetle took her purchase slowly and putting it in a paper bag, stared blankly at the Widow. He opened his mouth to speak, thought better of it and remained silent. "The charge," snapped the Widow. "Ma'm," said Mr. Beetle, "I'll give it to you free providing you never enter my store again."

And that was the start of Mr. Beetle's Courtship.

FOR the Widow, undismayed by Mr. Beetle's manner, entered his shop day by day, waging a campaign against his reticence and apathy. For a week at least, she lived off his goods "providing she never entered his shop again."

By the third week the poor man had wilted, and was endeavoring to muster all his powers of expression to rid himself of his unwanted customer. By the fourth he was in a state of bewilderment and attended a community supper in her company. To me he seemed in a trance, and ate his supper like a trained Sealym. He never addressed a word to a soul, and he rubbed his stomach for prolonged periods.

In Midsummer, they walked in the park together, and I, lounging there after a football game, heard Mr. Beetle lay his hand and fortune at the feet of the inexorable Widow. He was very quiet, and his lady, while batting at butterflies with her parasol remarked, "Alfred," (who ever dreamed of Mr. Beetle as Alfred?) "Alfred," she said, "do you intend to walk with me forever? I declare I should like to hear your intentions."

Mr. Beetle, rubbing furiously at his stomach, heaved a long sigh. "Do you hear me?" she asked. "Aye," said he, "I'll marry you, providing you never enter my store again."

AND marry they did—and still Mr. Beetle's shop was pestered. She would sit knitting behind the counter while poor Mr. Beetle, for so he was known among us now, handed her the money from each sale. If anything, his business increased, so interested were all of us in contemplating his domestic bliss. Besides he had begun to talk and would detain anyone, that he should not be left alone with his wife.

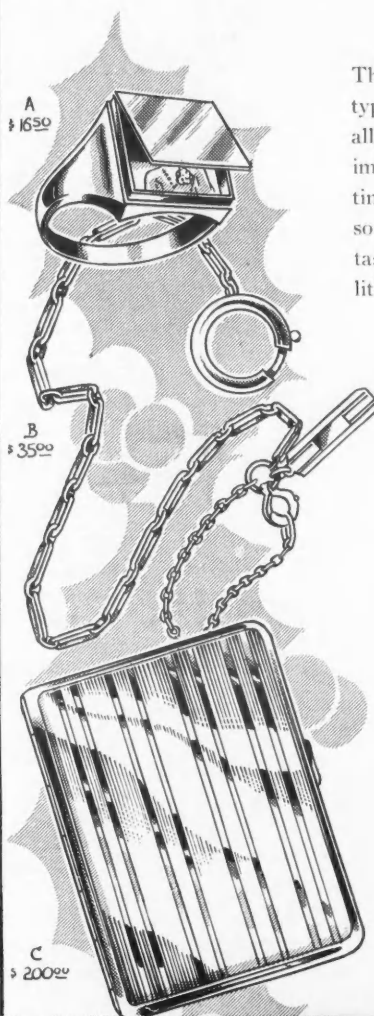
The little man's disintegration properly set in. He attended church and sang in the choir; and he was a leading light in the Boys' Brigade. He spent his evenings engaged in conversation around the stove in the grocery store; and no one could have had any doubt as to his opinions.

But one day, a year after his marriage, Mr. Beetle disappeared. After local skirmishing a full investigation was ordered; and to the delight of the town gossips, he was found to be a bigamist, in quite a respectable way.

Twice before had Mr. Beetle been manoeuvred into like situations, and twice before had he flown like a bird. He was never seen again to my knowledge, but the Widow still lives in the old Elm house.

It is she who is strangely silent now, and rarely appears at any gathering. It is said she has lost her appetite, especially in the way of currant loaves and cakes.

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